



LEGATUM
INSTITUTE



CREATE
streets



MARCH 2018

A community-led future

A proposal for the
neighbourhood of Grenfell Tower

by Nicholas Boys Smith and Danny Kruger

www.li.com
www.prosperity.com

CREATING THE PATHWAYS FROM POVERTY TO PROSPERITY

ABOUT THE LEGATUM INSTITUTE

The word 'legatum' means 'legacy'. At the Legatum Institute, we are focused on tackling the major challenges of our generation—and seizing the major opportunities—to ensure the legacy we pass on to the next generation is one of increasing prosperity and human flourishing. Based in London, we are an international think tank and educational charity which seeks to provide evidence-based solutions for those who would see free, just and flourishing societies. We do this through our research and by bringing together those who wish to work towards creating a better, more prosperous world. At the Legatum Institute, we believe that prosperity is not just a journey of accumulation, but one of transformation.

ABOUT CREATE STREETS

Create Streets is a research institute that advises community groups and councils on planning and developing urban housing that matches how people want to live. Create Streets has a 15-year aim to change the UK urban planning system, and it's doing this by making the case for popular housing and co-design, and helping communities build capacity to fight their corner.

Cover image: A minute's silence on the Lancaster West estate, June 2017.

The Legatum Institute would like to thank the Legatum Foundation for their sponsorship and for making this report possible.

Learn more about the Legatum Foundation at www.legatum.org.

The Legatum Institute is the working name of the Legatum Institute Foundation, a registered charity (number 1140719), and a company limited by guarantee and incorporated in England and Wales (company number 7430903)



CONTENTS

Introduction	2
'A home to a lot of people': the Lancaster West estate	4
Community capability	6
Nothing about us without us	7
Community Land Trusts	9
Taking control: a roadmap	12
Conclusion	16
About the authors	inside back cover
Acknowledgements	inside back cover

INTRODUCTION

IMPORTANT NOTE:

This paper concerns the future of the Lancaster West estate, but not the future of the site of Grenfell Tower itself. The future of the Tower site is being considered under a process recently agreed by the bereaved and former residents of the Tower in negotiation with the council and with government. The proposal set out in this paper is for the wider estate, excluding the Tower site.

The fire in Grenfell Tower, which began shortly after midnight on the morning of 14th June 2017, killed 71 people. 376 households from the Tower and from neighbouring buildings were made homeless. Health professionals estimate that over 10,000 people from the wider community will experience physical or mental health problems as a consequence of the trauma of that night; the clinical director of the Grenfell Tower Mental Health Response Team described his work as 'the biggest programme there's ever been in Europe.'¹

The apparent failure of the authorities to heed the concerns of Grenfell Tower residents about fire safety reflects a wider and historic pattern, a culture of disregard for residents' views

In the immediate aftermath of the disaster attention focused on responsibility for the fire itself. Who was to blame for allowing the tower to be vulnerable to such a catastrophe? Soon, however, this question became connected to a wider set of concerns. Why was it a tower block of mostly low-income households that caught fire? Why had the local council, the Royal Borough of Kensington and Chelsea (RBKC), not listened and acted when residents warned them about safety risks in the building and the neglect of the Lancaster West estate as a whole? What did the disaster—and the clumsy and confused response by central and local government in the days that followed—say about the attitude of the people with power towards the people in the housing estates of North Kensington?

We suggest that the apparent failure of the authorities to heed the concerns of Lancaster West residents about fire safety reflects a wider and historic pattern. Over many years, the perception grew that council staff (and the staff of the Tenant Management Organisation, which in recent years managed the estate for the council) were not accountable to residents but to a distant bureaucracy. Many residents came to believe that the council did not take seriously residents' safety, let alone their general quality of life.²

This perception may or may not have been justified. Certainly, many councillors and council officials at RBKC were decent people doing their jobs as they thought they should. What seems inarguable, however, is the impotence of residents in the face of a system that denied them both voice and agency: the ability to get their views heard or to take action themselves to improve the conditions they lived in.

This reality—the powerlessness of local people—is not particular to RBKC. Nor is it recent. Indeed, it helps account for the decision to build Lancaster West itself, and many housing estates like it

¹ 'Grenfell Tower Fire Has Led To The 'Biggest Mental Health Response Ever Seen In Europe'', HuffPost UK, 30 October 2017

² Conversations with residents, July 2017-present



elsewhere in London and the UK. It also underpins some (though not all) approaches to estate regeneration over the last generation.

This short paper focuses not on the question of culpability for the fire itself, which is the subject of police investigation and the official enquiry established by government, but with the future of the neighbourhood of the wider Lancaster West estate, separate from the Tower site. It makes a case for a community-led future for the estate; and indeed argues that community-led housing represents a way forward for housing policy in general.

No change in the governance or management of the Lancaster West estate can make good what happened on 14th June last year. But if the right decisions are taken, the legacy for the community and for society can, in part, be a good one. Our hope is that the neighbourhood of Grenfell Tower may make something beautiful for the future: a new model of community living that will inspire the rest of London and the UK.

Above: The memorial wall for the victims of the Grenfell Tower tragedy.

'A HOME TO A LOT OF PEOPLE': THE LANCASTER WEST ESTATE

Grenfell Tower was part of the Lancaster West estate, built between the late 1960s and the mid 70s. The estate includes, as well as the tower and some surrounding streets, three additional three- and four-storey buildings ('the walkways') running from the tower's base, with two slices of green space between them. The tower itself was completed in 1974. 24 storeys tall, it was a monument to the belief in vertical living—'towers in space', 'streets in the sky'—which prevailed at that time.

The following account, from an interview the year before the fire with a resident called Christine Richer, illustrates the changing nature of life in the estate from its earliest years to the time, more recently, when 'gentrification' began to alter the composition of the community:

'I came to the estate in the 70s it was very pleasant. I thought this is my place. My place on earth. I'll live here till I die. As a child, I moved a lot.

In Grenfell Tower there was a really nice club, like a residents' social club and my partner at the time was on the Committee. That was my first introduction to the estate. It was full of different people who knew each other from the neighbourhood: Moroccans, Africans, blacks, whites, Portuguese, Spanish. I think with my involvement in the Residents Association and Estate Management Board, when the children were young, they have learnt a sense of community. They would always come and help me if I say I'm doing something with the RA. Volunteer themselves, wash dishes.

The garden down there was very important to me and the kids. They spent their formative years down there with or without me. We had family parties, barbecues. That living space outside there meant a lot to me.

I do believe that we are going to get knocked down as all this gentrification is happening all around us. And we are not a Victorian block, which is a beautiful thing. We are a 1970s fling them up, fling them down block. I don't know where I'll end up. That's the biggest concern for me. That makes me stay awake at night. That makes me cry. If they could build another block, 4 or 5 streets away, where I knew I was going to be rehoused [that would be OK]... It could be Manchester [where I am rehoused].

All my close friends who live on the estate, only about three are here. Everyone's gone. It's a changed community. I haven't always loved all the neighbours. But the neighbours that I have liked and I've made friends with, we've loved living here. The old families who brought up their kids and their kids have grown up and moved away. It's been a home to a lot of people.³

³ <http://www.grasart.com/blog/lancaster-west-estate-an-ideal-for-living>. Accessed 7 August 2017



The design of the Lancaster West estate (which was generous, in accordance with the Parker Morris space standards just then being introduced to new council housing) reflected the culture of council housing that prevailed when it was built. The intention of estates like this was to create ideal communities, enabling a new form of self-contained neighbourhood life separate from the surrounding streets. To a degree, as Ms Richer’s experience suggests, this is what happened. There are other, less positive perspectives.⁴ But whichever perspective is chosen, there is another, possibly more important consideration: who is in charge?

Ms Richer’s fears—‘we are going to get knocked down’, ‘I don’t know where I’ll end up’, not knowing where ‘I was going to be rehoused’—shows that power in Lancaster West emphatically did not lie with residents. This, not inept management or badly planned refurbishment, is the fundamental injustice revealed in June 2017.

Above: Artist impression of Lancaster West estate

⁴ 45 per cent of local respondents in one 1980s survey saying they ‘actively avoided’ the place. Moore, T. (2013), *Policing Notting Hill: fifty years of turbulence*, p. 270

COMMUNITY CAPABILITY

The assumption behind post-war town planning has been that the authorities and the experts know best: they have the knowledge, the skills and the resources to look after communities, whose role is to gratefully receive what they are given. This assumption was carried into the management of housing estates, even when (as in the case of Lancaster West) the housing stock was transferred to the management of a Tenant Management Organisation (TMO).

The events of 14th June, and the days and weeks that followed, suggest a different assumption is possible, and needed. It was the community, not the council, that stepped up to meet the needs of the survivors of the fire and the evacuees from the neighbouring buildings. While the council and government struggled to assemble a co-ordinated system of support, the community assembled its own. Charities, community centres, churches and mosques opened their doors. Hundreds of people from the wider neighbourhood and from further afield volunteered their time. Tons of clothes, food and other supplies were donated, to say nothing of the millions of pounds pledged by people across the country.

There is every reason to believe that, given more power and responsibility, the community of the Lancaster West neighbourhood could forge a positive future

Central and local government soon rallied; and many public officials have worked tirelessly to meet the needs of residents. This should be recognised. But there remains a deep deficit of trust among local people, which reflects the historic nature of the relationship between council and community.

As Bishop James Jones argued in his recent report on the 1989 Hillsborough disaster, *The Patronising Disposition of Unaccountable Power*, the tragedy was made worse by the self-protection of official institutions in the years that followed. This must not be allowed to happen in the case of Grenfell Tower—not just in terms of the official enquiry into culpability for the fire, but also in terms of the future process of rebuilding.

There is in North Kensington a strong infrastructure of community organisations. Indeed RBKC has a good record of supporting the charities of North Kensington. There is every reason to believe that, given more power and responsibility, the community of the Lancaster West neighbourhood could forge a positive future.

NOTHING ABOUT US WITHOUT US

As we consider all the decisions which need to be taken in the months and years ahead, including the critical questions of what should be done on the site of the tower itself, and how to ensure that local residents receive the support they need in future, we should bear in mind these two immediate responses to the disaster: the official approach and the community approach.

As the aftermath of 14th June shows, both are needed. The community cannot manage (and is not mandated to manage) the vast challenges of social responsibility alone, whether those challenges are critical, like disaster response, or long-term and strategic, like the task of rebuilding a devastated community. Infrastructure is needed, and leadership. But nor can the official system deliver on its own. What is needed is a 'social infrastructure' of civil society and public sector agencies, funded and mandated by the democratic system to organise services which are accountable to the local community.

The way ahead lies in the strength of community agency we witnessed in the aftermath of the disaster. In a phrase, the principle should be 'nothing about us without us'. No decisions should be taken for the estate, without the people who live there having a decisive say in the process.

'Nothing about us without us' does not mean there will not be disagreements, as differing views and interests clash. What is needed, therefore, is good politics, 'politics' understood in the classical sense of a process for managing the common life of a community. The politics that is urgently needed in North Kensington is one which carries trust: less adversarial, more able to accommodate rival perspectives, and therefore more able to secure acceptance for the eventual decisions that are taken.

RBKC is currently discussing with the residents of Lancaster West the future of the estate. Money from central government and the council—around £30 million so far—has been dedicated to a refurbishment. On Saturday 27 January 2018 an 'Ideas Day' was held at the leisure centre which stands at the foot of Grenfell Tower. Organised by Lancaster West Residents Association and supported by a consortium of architects, the day attracted hundreds of residents who gathered round tables and drawing boards to explore the options for their neighbourhood. Each block and street had an architect to explain what might be possible, and take suggestions and feedback from residents.

Ideas discussed include new lifts and stairwells; new landscaping to include ground floor access to the green spaces, some of which may be enclosed for residents' private use; and improvements to flats, including new bathrooms and kitchens and even the possibility of conservatories extending outwards from each flat. The idea was also mooted of converting the lower-ground floor spaces beneath the walkway buildings into new accommodation.

As RBKC appear to recognise, all these decisions should be made by local people; that the future of the estate should be in the hands of the people whose home it is. The definition of 'local' is not obvious, of course; there will be important decisions to be made about who exactly has decision-making power. But the important point is that never again should residents be at the mercy of a system that can disregard their views and downgrade their interests (no matter how personally well-intentioned are those who operate it). Local people must be safe from any attempt to 'regenerate' their area in ways they do not approve, still less (as many fear) to 'sell off' the estate altogether.

In order to achieve this, we suggest that residents consider a new model of ownership and governance for their estate. The next section outlines this model; and we then consider how it might be applied to Lancaster West.

COMMUNITY LAND TRUSTS

A Community Land Trust (CLT) is a model of land ownership that preserves the use of land for the people of the neighbourhood and those in need of low cost housing, who own it collectively. The model, which has a number of variants, is inspired by examples of collective ownership in rural India and Israel, and developed in the US from the 1960s as a means of empowering poor rural communities. In the UK the longest established CLT is the Stornoway Trust, which has owned the principal town on the Hebridean island of Lewis since it was handed over in 1923 by the local landowner, the industrialist William Lever. Since 1990 there has been more than a fivefold increase in the area of land in community ownership in Scotland from 112,000 acres to 562,000 acres.⁵

There is also a growing focus on CLTs as an answer to the UK's urban housing shortage, and the pressure that demand for homes is putting on low-income neighbourhoods.

Close to Grenfell Tower are the Walterton and Elgin estates in north Westminster. Here, Walterton and Elgin Community Homes (WECH), which describes itself as a 'mutual community-owned housing association', shows how to preserve housing for low-income families while also empowering residents with freedom and responsibility.

CLTs are an effective means of meeting, in part, London's shortage in genuinely 'affordable' housing

WECH grew out of a campaign begun in 1985 to save Walterton and Elgin estates from sale and redevelopment. In 1992, following a ballot under the now-repealed 'Tenants' Choice' legislation, the local authority, Westminster City Council, transferred the freehold of the estates to a new, community-owned housing association. The community is landlord to 640 homes, and is embarked upon a £17 million scheme to build 43 additional social rented homes and expanded community facilities on its land. Residents and landlord are united into one body. There is no 'us and them', just one democratically accountable—and regulated—professional body, which makes decisions about rent levels, estate management and development.

Jonathan Rosenberg, the local resident who founded and chairs WECH, sees the model as a template to be replicated wherever estate residents wish it. As he says, 'the only way for communities to guarantee their future, and ensure their buildings are safe and their tenancies are safe, is to own the homes they live in.'⁶

CLTs are an effective means of meeting, in part, London's shortage in genuinely 'affordable' housing. The tenancy model practised by WECH (where the homes as well as the land are owned by the CLT,

⁵ Estimate of Community Owned Land in Scotland 2017, Scottish Government

⁶ Interviews with the authors, November 2017

and rented out at rates and on terms decided by the community) can also stimulate the expansion of the supply of housing. WECH was able to obtain residents' support for its disruptive scheme, because the community trusted itself to do it right and to ensure that additional development addressed local as well as wider needs.

'The only way for communities to guarantee their future... is to own the homes they live in'

These new homes at WECH are being built to a very high standard. Visiting the project, the authors were struck by the quality and spaciousness of the new-build homes and the evident satisfaction of residents with the redevelopment. Jonathan Rosenberg points out that the residents who control WECH had no personal motive to increase the density of their estate, any more than they were motivated to endure the building works. They approved the plan because 'when people feel secure, they are ready to help their neighbour.' He argues that the experience of most recent community-led housing projects is that communities are happy to see more housing than councils or developers themselves were planning, if they have a genuine say and feel that the new development genuinely benefits the community.⁷

Most of the recent growth of CLT projects in England and Wales, now over 225, has come from rural communities. Increasingly urban communities want to follow their example. Councils like Hackney in the late 1990s and early 2000s experimented with this idea, with support from central government and the Treasury's Community Housing Task Force. However, the regulatory context was not conducive, and the housing market crash and its long aftermath diverted political attention from the idea. Recently, however, both DCLG and city leaders have been willing to support community-led housing of all kinds, in national and local housing and planning policies.⁸ The legislative context, which now includes the Right to Transfer from a Local Authority Landlord, may provide greater scope for resident control.

Social tenants across Kensington have been active around housing issues for several years. A group formed in 2017 to plan and develop a CLT in the borough. The Kensington Community Housing Forum has a diverse steering group of local people. They have identified a site to create a mixed tenure scheme and are liaising with potential funders and development partners. Its convenor Lizzie Spring commented 'At the Forum's first public meeting in October 2017, a central theme was agreed by everyone: "We want to take back control of our own lives".⁹

WECH represents 'a dazzling object lesson in how serious healing [between residents and council] can be achieved through working with the community.'

The need for new housing represents an opportunity for CLTs to be established on housing estates across the UK. Residents do not trust local authorities or private developers, and so local consent for development and further densification is unlikely to be forthcoming under current ownership

⁷ Interviews with the authors, November 2017

⁸ See the Community Housing Fund and Community Housing Hubs in London, Bristol and Leeds, and focussed planning policies in East Cambridgeshire as part of the growth agenda in the Cambridge Sub-Region

⁹ Interview with the authors, February 2018

arrangements. Residents are, however, much more likely to trust themselves and each other. If proposals come forward for improvement of the estate, for instance, residents know that they will control the process and, as a community, share in the financial benefits the work brings.

The framing of the statutory definition of CLTs in Section 79 of the Housing and Regeneration Act 2008, which aligns the purpose of CLTs directly with councils' powers of wellbeing, was a deliberate choice by the community organisations who promoted this clause, in order to enable them and the state to work together. There remains, however, the essential obstacle of land values and the attitude of councils towards their 'assets'—as if estates were mechanisms for generating money for their owner, and 'holdings' worth hundreds of millions of pounds on the open market.

To enable the establishment of CLTs, government must encourage local authorities to apply a more imaginative test of public value in their management of land. Rather than considering only the putative financial cost of land, they should be expected to make decisions reflecting the health and welfare benefits (and thereby the financial savings to the state) to the communities they represent.

The critical requirement is that local authorities stop seeing housing estates primarily as stores of financial value. Indeed, HM Treasury guidance already makes clear that

'the public sector holds financial, corporate and physical assets in the pursuit of policy objectives and not for its own sake or for the creation of profit. In pursuing policy objectives, the public sector pursues Value for Money, defined as optimising net social costs and benefits. This Public sector assessment of value is based upon the interests of society as a whole and is not an assessment of value to the public sector alone.'¹⁰

The estates were built to house people, and this is their function—even if they could do it much better. The question then arises: how best to manage the housing that sits on council land? CLTs provide a mechanism for doing this that overcomes the enduring problems of council housing: lack of agency by residents over estate design and management, which can lead to severe social problems and an entrenched 'them and us' attitude between residents and landlords.

The process of establishing a CLT is itself an effort of reconciliation between tenants and council. Westminster City Council has a fraught history of council house management, leading to very low levels of trust in the 1990s. As housing development expert, and former government advisor Jackie Sadek described it in 2013, WECH represents 'a dazzling object lesson in how serious healing can be achieved through working with the community.'¹¹

Written some years before the disaster of Grenfell Tower, these words, and the model of WECH, should light the way to a solution to the profound loss of trust between local people and the Royal Borough of Kensington and Chelsea.

¹⁰ 'Value for money and the valuation of public sector assets', HM Treasury, July 2008

¹¹ 'Westminster shows the way with WECH' Jackie Sadek, *Estates Gazette*, 3 April, 2013

TAKING CONTROL: A ROADMAP

The households of Grenfell Tower and Grenfell Walk

151 households lived in Grenfell Tower and Grenfell Walk, which runs along the foot of the tower and which was also made uninhabitable by the fire. Since the fire, owing to changes in family structure, the number of households from the Tower and the Walk has become 207.

As of 1 February 2018, 170 of these households have accepted an offer of temporary or permanent accommodation. 116 of these have moved in to their new homes, 60 into temporary and 56 into permanent accommodation.

This means that almost seven months after the fire 151 families from the Tower and the Walk—73 per cent of the total—have not yet moved into a new permanent home. 91 households are still in emergency accommodation i.e. hotels and bed-and-breakfasts.

Grenfell Support News, 2 February 2018

The future of the Lancaster West estate should be determined by the people who live there. This includes survivors from Grenfell Tower and those residents evacuated from the smoke-damaged flats in the buildings of Lancaster West, who are now living in temporary accommodation elsewhere, but wish to return to their homes or to new homes on the estate. Many other survivors and evacuees understandably do not wish to return to Lancaster West.

The question of the future of the estate, therefore, is bound up with the question of rehousing some hundreds of homeless families: how many of the former residents of Lancaster West will be living there again in a year's time? The situation is further complicated by the extreme distrust with which the community regards the council. Given the circumstances, it is to be expected that great care will be taken by RBKC to respect the wishes of local people in the immediate plans for the estate. Our concern, however, is with the long-term, given the model of governance which, even with the most sensitive and benevolent council, will remain the same model as before.

Our suggestion, therefore, is that the community considers a more fundamental option, to take full control through ownership of the estate. It has already been mooted in discussions between residents, RBKC and the Government for the ownership of the site of the tower itself to be passed to a Trust, owned on behalf of and managed by the local community. Our suggestion is that this model is also applied to the rest of the estate.

To achieve this (and to ensure it only goes ahead if the community really wants it), we propose a process, two principles and three policies, which could be agreed jointly by the Lancaster West Residents Association (including all those former residents still in emergency or temporary accommodation elsewhere) and by RBKC.

i. A PROCESS

We suggest a listening exercise, managed by local civil society—such as charities and faith groups—is conducted to understand properly the future wishes of the people of the neighbourhood, including those in temporary accommodation who may one day move back to the estate. This exercise should seek to understand where residents feel power resides in the estate (and where it should reside), whether they would support moves for more community control, and what they would hope to achieve together. It will become apparent from this process whether there is sufficient desire in the community to 're-form' and make a future together, or whether most people expect to move away or (if in temporary accommodation) not return.

ii. TWO PRINCIPLES

In the management of the decision-making process and in implementing policies (below), two principles should be recognised by all stakeholders.

- a) **The principle of accommodation.** There is no perfect outcome for the estate. No-one can make things right for the people who lost their homes, still less for those who lost loved ones. Any solution will have trade-offs. What matters is that the process is conducted with clarity and transparency.

This way the authorities can come to appreciate that only by giving up their power can a sustainable future for the neighbourhood be achieved, and residents can come to accept that others—including those with power and responsibility—can act in good faith.

- b) **The principle of reconciliation.** The process proposed here requires different people and organisations to work together for many years. Transparency and negotiation should lead the different stakeholders to build relationships of trust and mutual regard, and this could be one of the greatest legacies of all.

iii. THREE POLICIES

A useful prelude to the transfer of housing stock to community ownership would be the agreement of a 'Charter' representing a clear, publicly available and consolidated statement of the commitments made to residents. The process of making the Charter is as important as the content. It has to be made together by the residents and the Council: an important exercise in rebuilding trust and learning what co-production looks and feels like. We suggest that it should encapsulate three policies.

First, RBKC and LWRA should collectively make an absolute commitment that everyone displaced by the Grenfell Tower fire should be entitled to a tenancy on the same terms as the one they had before the fire, either in Lancaster West, if there is a vacancy and if the family wish to live there, or elsewhere in North Kensington (i.e. north of Notting Hill Gate). This 'right to return' will have the

unavoidable effect of pushing other local families further down the waiting list for housing. This effect can be offset only by faster house-building in the area. It is possible that, under the process described below, i.e. with the support of residents, the buildings of the Lancaster West estate can accommodate more homes. Other steps to create more housing elsewhere could be taken if there were the political will.¹²

Second, RBKC and central government should undertake to ensure that any new homes that are built on the estate can be let at social rent levels or sold at prices pegged to local incomes. The appropriate mix of homes for sale and for rent, and the desired purchase or rental values, should be determined by the residents.¹³

Third, RBKC should give the residents an option to transfer the freehold of the land under Lancaster West and the buildings on it to a Community Land Trust, whose members are the residents of the estate. Under the envisaged model, members are equivalent to shareholders, though membership cannot be sold or transferred; all residents are invited to become members and membership lapses when a resident dies or moves away. The Trust would employ a professional staff, answerable to a Board of residents elected by their neighbours, and regulated as a registered provider by Homes England.

The Lancaster West Residents Association should be invited by RBKC, if it approves this step, to submit the option of a stock transfer to a ballot of all residents, including those displaced by the fire and not yet permanently rehoused elsewhere. Statute requires that occupied housing stock can only be transferred to an alternative landlord subject to approval by tenants through a ballot.

The housing stock to be transferred would be valued using the Treasury approved stock transfer valuation model, which is set out in government guidance (the Housing Transfer Manual). This would enable the community to be sure that the estate represents a net asset to its owners, depending on the income from, and condition of, the housing stock. If it appears that, for any reason, the estate in fact represents a net liability, it would be necessary for the council to provide a 'dowry' along with the stock transfer.

With the above steps in place (a Charter confirming commitments from the council and the Residents Association to the transfer of the land and housing stock; the 'right to return' and social rent or discounted sales for all new housing; and the principles of accommodation and reconciliation), the stage is set for the establishment of a Community Land Trust along the following lines.

¹² To speed up the delivery of new homes and permit a wider range of smaller and third sector developers, one idea, given recent references in both the London Plan and the Housing White Paper, would be for the Greater London Authority or the Government to support RBKC to create, with residents, a North Kensington design code for new homes. These could then be built under building regulation control rather than full planning permission in some types of site. Greater certainty would remove the huge advantage that larger, more experienced and well-capitalised developers have under the current planning system

¹³ It may be that the community will opt to allow some market-level rental or ownership, in order to attract additional finance to the estate or to ensure a

greater mix of residents. In other estate redevelopments it is certainly necessary to use the capital available from market-level sales to finance the project, and a mix of tenures is generally seen as socially optimal. In the case of Grenfell Tower, however, an exception ought to be considered. If the community wishes to reserve all new homes for people paying social rent, or to sell at heavily discounted prices, then government should make this possible by committing the necessary subsidy. Elsewhere the public sector has committed a subsidy for building new homes in order to ensure that the rents are affordable. At WECH, for instance, the Greater London Authority and Westminster City Council contributed £160,000 towards the building of each new unit, on condition that rents were capped at between £158 (for a one-bed flat) and £200 (for a five-bed flat) per week

Assuming sufficient local support for these plans, on the authority of the Residents Association, a new Community Land Trust would be established with the purpose of managing the estate in future; every resident is able to join as a member with the right to elect Directors to the Board, which itself would have the power to appoint additional expert Directors. Elections are held to appoint the board of the CLT, and a budget is secured from RBKC for the CLT to appoint a secretariat to manage the process and to hire professional advice for the community.¹⁴ In due course, a professional staff team is recruited and an office established. Finally, with the approval of the proposal to accept the offer of the freehold, the transfer is effected by order of RBKC.

The process set out here is a lengthy one. It is essential not only that a CLT would proceed only if and when local residents are fully supportive; but that it only happens once decisions have been made about the future of the site of the tower and the use of the refurbishment budget which has been committed. These suggestions are for the future, not the present. It is, indeed, unlikely that a transfer of housing stock to a CLT can be done in less than two or three years. This is to be welcomed, as it is important for local people to have time to properly understand and approve the eventual transfer. Indeed, it is to be hoped that the process of deciding on and managing the refurbishment of the estate—which is likely to be managed through a Special Purpose Vehicle accountable to residents—would help to grow the social capital and consent which will be necessary if the community is to adopt the more ambitious long-term plan of community ownership.

¹⁴ The cost of effecting a stock transfer is estimated at £750,000, comprising the following:

Sample Stock Condition Survey	£60,000
Financial Modelling, Analysis	£140,000
Consultation and ballot	£70,000
Project Management	£150,000
Independent Advice for Tenants and Leaseholders	£30,000
Funding Advice	£100,000
Legal Fees	£200,000
TOTAL	£750,000

CONCLUSION

In conclusion it is worth reflecting on what would have happened if, like many apartment blocks around London, Grenfell Tower had been privately owned by the people who lived in it. Each household would have had shares in the management company that owned the freehold and from which they rented their flats. When the question of refurbishment came up, the residents would have exercised direct control over the budget, the specification and the appointment of contractors.

The Chair of Walterton and Elgin Community Homes is explicit: 'if Grenfell Tower had been owned by residents they would never have approved the refurbishment that led to the fire, because no homeowner would have considered those particular works either necessary or a good use of their own resources.'

There is now an imperative to do right by the community of Lancaster West who have had their lives turned upside down by the tragedy of 14th June. One way to do this is to correct the injustice of disempowerment, which the old model of council housing imposed on residents.

We hope that the ideas set out in this paper will help residents of Lancaster West, and the decision-makers in the council, think through the potential for a new start for their neighbourhood—and inspire other communities around the country to follow their example.

ABOUT THE AUTHORS

Nicholas Boys Smith

Nicholas Boys Smith is a fellow at the Legatum Institute and the founding director of Create Streets. Nicholas has published widely on the links between urban design, wellbeing and value and has worked for both communities and public-sector bodies on estate regeneration. He was a member of the Government's Estate Regeneration expert panel chaired by Lord Heseltine.

Danny Kruger

Danny Kruger is a fellow at the Legatum Institute and the founder of the West London Zone for Children and Young People, a partnership of statutory and charitable agencies, based in North Kensington. In 2017 he was awarded an MBE for services to charity.

ACKNOWLEDGEMENTS

The authors gratefully acknowledge the help and advice of Stephen Hill of C2O futureplanners, Jonathan Rosenberg, Chair of Walterton and Elgin Community Homes, and his colleagues.

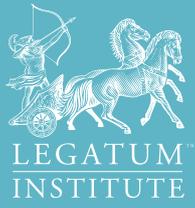
We are particularly grateful for the time we have spent with residents of the Lancaster West estate.

Although the analysis presented here is informed by discussions with residents, volunteers and workers in the estate, the report should be taken as the views of the authors alone.

Image credits:

Cover: ©Thabo Jaiyesimi / Shutterstock.com

p3: ©Brian Minkoff / Shutterstock.com



LEGATUM INSTITUTE

11 Charles Street
London W1J 5DW
United Kingdom

t: +44 (0) 20 7148 5400

Twitter: @LegatumInst

www.li.com
www.prosperity.com



MARCH 2018