

## Summary: 6 March 2014 Brixton Green

### 1. Introduction by Stephen Jordan and Brad Carroll

Brixton Green is a community led, not for profit company, owned outright by its 1,200 members, each of whom owns a £1 share, lives or works in one of Brixton's five central wards, and has one vote but no preferential treatment eg for housing allocation. The trustees are co-opted local people. Brad recruited Stephen as somebody from outside the area possessing the necessary skills to help take the project forward as a co-operative model.

It was born in 2007 when Lambeth council identified the area for 'regeneration'. The site is worth around £60m, with potential for 280 new homes; and the group aim to establish a community led hub focused on creativity, enterprise and training; with a theatre, chef school, workspaces, a children's nursery, as well as health and education facilities. Healthy Street: access through alley; mums and aunties to use and make safe; integrated health; Brixton market – pop-up shops; keep good employees local by providing offices too; the chef school a good local initiative.

The plan is to knit the two areas together: one now more affluent; the other run down. In 2012 the Oval House theatre was planning to move using an Arts Council relocation grant. Adding them to the project gives a longer active day.

Starting up a cooperative venture was difficult. There was support from some government programmes (Community Share and more recently GLA Community right to build) but the key step was producing a business plan with strong community input. This was the basis for persuading officers and eventually key politicians in Lambeth (including the leader) to have faith in the mutual model rather than seeing it as a nuisance. There was a shift in Lambeth from a more top down approach focused on other strategic sites and a desire to see affordable housing not subject to right to buy.. They have now offered the land to the project with deferred payment and agreed to support a CPO on the private part of the site. The Council will provide funding from prudential borrowing repaid by the retnail stream and retain a long term interest to safeguard the vision.

Work is well underway on the formal processes of getting Lambeth cabinet agreement; preparing a shared development brief and management agreement and appointing a Development Manager & Design Team from 6 consortia to go through the phases of gaining consent, modelling, procurement and building

Lessons have been learned. Community involvement is good but cannot be simply based on hobbyists and enthusiasts. Getting taken seriously required FCA approval, a constitution, published accounts, a business plan, good advisors, working to overcome scepticism and creating a relationship with the council. Time and resources have to match the needs of a £60m scheme by supplementing a group with limited skills with volunteers, pro bono help, money from GLA and a Big Issue Loan.

## 2. Key points made in discussion

- How can the long term vision be safeguarded? Can the council do that without becoming too involved or finding it a burden? Does a charity take over and how are assets locked in?
- Were there conflicts between the formal structures and 1,200 shareholders? Clearly some individuals had particular views eg on access to housing but there was no block voting. Honesty was important in acting as a proxy for the community and there was no direct economic interest for the individuals who were a proxy for the community.
- The underlying risks and return had to be managed. The development manager would be incentivised and take the risk of achieving consent; a separate contractor would have the construction risk. The council will hold the ring. That was bold but compatible with risk and they have the upside with any new body also being able to reinvest.
- The council's long term asset ownership will need some complex technical details: long head lease or freehold; tax implication; collateral warranties; asset locks; and affordable housing secured. Decisions had been reached mutually with the Council stretching ideas about what was possible.
- Councillors had been nervous but importantly new people took an economic view rather than simply a land use planning approach. Officers and the cabinet member had been important supporters.
- It might be possible to find a commercial variant on private schemes; unlocking value that wasn't there before . There were some similarities but the value might be driven back in a commercial world to private.
- The affordable housing had to make a contribution to repaying the prudential borrowing. There was no free land; it had to be paid for, not gifted. Aspirations and targets were being modelled.
- Currently planning consent was expected next year with development starting in 2017. It had taken a substantial time to get to this stage. The difficulty of speeding that up was the need to build up relationships with statutory authorities and share an understanding of risk. For example it was helpful that the Council had now taken over negotiations with landowner – with CPO if necessary.
- The cooperative element was critical to the approach but in addition the FCA registration was fundamental. This had required extensive compliance with complex regulations and Brad had had to write 20 policies. This showed others that the governance was concrete and reliable.
- The initial vision for the scheme had been sustained with now much more detailed understanding of how it worked and what elements were needed. Transformational changes would deal with whole of the road and alleyway that had been the problem area for the community.