

WANDSWORTH BOROUGH COUNCIL

HOUSING OVERVIEW AND SCRUTINY COMMITTEE – 21ST NOVEMBER 2013

EXECUTIVE – 25TH NOVEMBER 2013

Report by the Director of Housing on the current position regarding the regeneration project for the Winstanley/York Road (Latchmere) Estate

SUMMARY

This report provides an update on the progress with the development of the masterplan for the Winstanley/York Road Estate regeneration area and progress with options consultation. It outlines the options for improvement which are being consulted on with local residents and stakeholders currently and provides details of the ongoing communications plan and timetable for the production of a completed masterplan.

The report also seeks approval for a small fund to be provided to help advise resident leaseholders seek advice on the details of the residents' offer.

The Director of Finance comments that it is proposed to make available funding of up to £20,000 in 2013/14 for resident leaseholders to seek Council funded independent legal advice on the details of the residents' offer for which a positive Housing Revenue Account revenue budget variation is recommended for approval.

RECOMMENDATIONS

1. The Housing Overview and Scrutiny Committee are recommended to support the recommendations in paragraph 3.
2. If the Housing Overview and Scrutiny Committee approve any views, comments or additional recommendations on this report these will be submitted to the Executive for consideration.
3. The Executive are recommended to: -
 - (a) agree to fund independent legal advice for resident leaseholders around the details of the developing residents' offer; and
 - (b) approve a positive Housing Revenue Account revenue budget variation of £20,000 in 2013/14.

BACKGROUND

4. In March 2012, the Executive agreed (Paper No. 12-218) an ambitious programme of work to improve the physical environment and raise the aspirations and improve the life chances of those living in the most deprived areas of Latchmere and Roehampton

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and Putney Heath. In October 2012 (Paper No. 12-645), the Executive agreed the governance arrangements, terms of reference and an outcomes framework for the programme. Provision was also made in the Housing Revenue Account business plan to borrow up to £100 million in the future to fund the Council's aspirations agenda with this capacity being targeted to support the physical regeneration of the Winstanley/York Road and Roehampton area schemes.

5. In April 2013 (Paper No. 13-242), the Finance and Corporate Resources Committee received an update on progress so far in delivering the wider Aspirations Programme which focused on improving the life chances of those residents living in the Winstanley/York Road and Roehampton area.
6. Reports to Housing and Finance and Corporate Resources Overview and Scrutiny Committees in November 2012 (Paper Nos. 12-679 and 12-680) presented findings from initial resident consultation and engagement across the two areas that particularly identified low satisfaction ratings for the general environment of the Winstanley/York Road estates and with some residential blocks particularly on the York Road estate. On this basis, the Executive agreed that a procurement exercise should be undertaken to select masterplanning teams to bring forward masterplans for the regeneration of both areas; Roehampton and Winstanley/York Road.
7. A further update (Paper No. 13-376) was provided to Housing and Finance and Corporate Resources Overview and Scrutiny Committees in June 2013 identifying that GVA and Levitt Bernstein had been selected as masterplanners for Winstanley and York Road and agreeing an 'outline' offer for any tenants and leaseholders who may be affected by developing proposals, for discussion with local residents.

THE MASTERPLAN OPTIONS

8. Regeneration options have now been developed for Winstanley and York Road and these are being consulted on currently.
9. There are four options which are being tested and discussed with local residents. These were determined through: resident and stakeholder consultation, GVA's analysis of stock condition and socio-economic factors, the masterplan objectives as set out in the masterplan brief, deliverability of plans, current best practice in urban design and regeneration and the opportunities for and barriers to development presented by the area.
10. The options are explained in the booklet attached at Appendix 1.

ENGAGEMENT

11. A public masterplan launch event was held on 18th July 2013 in conjunction with the Big Local, in order to introduce the masterplanners and continue the process of understanding the area and local issues.
12. The options consultation was launched on 5th October 2013 with an open day exhibition of the proposals, which was very well attended. Residents were asked to rate each of the four proposals out of five using the feedback form attached as Appendix 2.

13. Consultation has continued using a variety of methods intended to ensure wide resident and stakeholder engagement. There have been: regular open drop in-sessions at the York Gardens Library, meetings with youth groups, meetings with user groups of various stakeholder organisations in the area (Battersea Chapel, Falcon Road Mosque etc.), attendance at school pick up time at Falconbrook School, targeted sessions for elderly residents, drop-in sessions held in every potentially affected block, meetings with representatives of residents' associations, a booklet outlining the options delivered to every home (see Appendix 1) with a reply paid facility for returning the feedback form and web page, twitter and facebook accounts have also been set up. These arrangements will continue to the end of the consultation period with targeted door-knocking employed in the final two weeks if there are areas or groups of people who are not well represented in the respondents. In addition to the opening event, there was a second open exhibition held on 4th November 2013 where the original proposals were further developed to address issues arising from the early part of the consultation.
14. A final open exhibition will be held later in November. This event will develop the ideas and address issues raised further and taking a lead from the consultation exercise undertaken begin to identify how a preferred option may be developed.
15. An assessment report of the consultation will be reported to the Committee in due course, after the full analysis has been completed. However, initial analysis shows that the majority of those who have responded so far have favoured the options which propose greater change to the area and more direct intervention in terms of the demolition and redevelopment of buildings.
16. Whilst engagement thus far has been positive and productive with a degree of consensus emerging around the need for significant change, the Council continues to recognise that this process will cause considerable local anxiety and uncertainty for local residents. With this in mind, it is important that the Council remains committed to continuing a high level of dialogue with local residents, in particular in terms of addressing concerns around the direct impact of the scheme on residents and further developing the residents' offer.

RESIDENTS' OFFER

17. The principles for a residents' offer, agreed by the Executive on 1st July 2013, are being publicised and discussed with residents as part of this consultation and that taking place on the Alton Estate. In order to discuss and explore the issues and further details arising from these principles, the Council has committed to creating two negotiating groups drawn from local residents' associations - one for Council tenants and one for resident leaseholders. It is intended that these groups will meet after the options consultation is complete.
18. In order to support resident leaseholders in these discussions and to demonstrate to residents that the Council is prepared to negotiate in good faith, it is proposed that funding is made available to resident leaseholders to obtain independent legal advice. Officers consider that this would help to reassure resident leaseholders that the Council's proposals are considered, fair and reasonable. This funding could be channelled through the accredited residents' associations and monitored alongside the

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small improvements budgets programme. Funding of up to £20,000 will be budgeted for. The Council would expect to be fully involved in the procurement process with arrangements being in place early in the New Year.

19. Initial feedback from resident leaseholders on the estates has identified a particular concern as to how any affected resident leaseholders would be able to afford to buy back into the new scheme. For both the Winstanley and York Road and Alton Estates, the Council has already committed to developing a package that will offer opportunities to existing owners who are affected to purchase new intermediate affordable properties within any new development or within the local area and it is a matter of priority to develop these purchase options further with potentially affected leaseholders.
20. The options being explored by the Council and the masterplanners would allow resident leaseholders, for instance, to utilise the funds from the sale of their existing property to buy into the new scheme. Should the amount received be less than the value of the new properties being offered, the favoured approach being explored would be for the leaseholder to purchase a share in the property with any equity they cannot purchase being retained by the Council with no return expected on this equity other than a share in capital growth on the sale of the property. This is the form of package that is currently being factored into the financial model which underpins the scheme and is in line with the offer being made to resident leaseholders by other local authorities on comparable schemes elsewhere in London.
21. Subject to financial modelling and appraisal, if the Council considers that a reasonable offer to affected leaseholders would be to offer them an opportunity to buy back into the scheme without them being required to borrow additional equity, then it is recommended that the package described above is set out in detail as soon as possible to residents in order to address the significant levels of concern being expressed currently.
22. Clearly whatever arrangements are agreed for Winstanley/York Road must be replicated in respect of affected leaseholders living on the Alton Estate, SW15 (Roehampton and Putney Heath).

NEXT STEPS

23. Initial analysis of the response to the options consultation show support for options which involve a greater level of intervention and change. Whilst the final open exhibition will identify all the regeneration options available it is intended to provide a more detailed explanation of the more ambitious options, illustrating more clearly how parts of the area could look in terms of density, street scene, mix of tenures and types of housing.
24. Following the end of the options consultation, the masterplanners will work further on the options concentrating on the favoured options, addressing key concerns that have arisen, providing more clarity around the timetable and phasing implications and further developing the financial model to underpin the masterplan and the implementation plan which will accompany it.
25. In the meanwhile, the Council will continue to develop the residents' offer in discussion

with local residents.

26. The resultant preferred option is intended to be exhibited to local residents and stakeholders in early January 2014 with a report to the Housing and Finance and Corporate Resources Overview and Scrutiny Committees and the Executive targeted for February 2014 identifying the preferred option that will be further developed over the next year.

COMMENTS OF THE DIRECTOR OF FINANCE

27. The Director of Finance comments that it is proposed to make available funding of up to £20,000 in 2013/14 for resident leaseholders in both the Winstanley / York Road and Alton regeneration areas to seek Council funded independent legal advice on the details of the residents' offer for which a positive Housing Revenue Account revenue budget variation is recommended for approval.
28. The proposed amendment to the residents' offer to allow resident leaseholders to buy back into the new scheme through purchasing a share of a new property rather than purchasing outright is continuing to be explored. The impact of this will be considered in the masterplanners financial model.

CONCLUSION

29. This report identifies the positive progress that has been made in consulting on regeneration options for the Winstanley/York Road estates. The next steps are intended to maintain the momentum that is now building around the more ambitious options set out in Appendix 1 (see options two and three). Whilst good progress has been made the approach continues to be one that is intended to fully involve the local community and stakeholders in the further development and refinement of regeneration options. In tandem with this will be addressing residents' concerns, including further development of the residents' offer and setting out a clear timescale in respect to next steps.

The Town Hall
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ROY EVANS
Director of Housing

12th November 2013

Background Papers

There are no background papers to this report.

All reports to Overview and Scrutiny Committees, regulatory and other committees, the Executive and the full Council can be viewed on the Council's website (www.wandsworth.gov.uk/moderngov) unless the report was published before May 2001, in which case the committee secretary (on 020 8871 6039) can supply if required.

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