WANDSWORTH BOROUGH COUNCIL

<u>HOUSING AND REGENERATION OVERVIEW AND SCRUTINY COMMITTEE –</u> 16TH SEPTEMBER 2014

EXECUTIVE - 22ND SEPTEMBER 2014

Report by the Director of Housing and Community Services on the regeneration project for the Winstanley/York Road SW11 (Latchmere) Estate and Alton Estate West SW15 (Roehampton and Putney Heath)

SUMMARY

This report provides an update on progress with development of the Masterplan for York Road and Winstanley regeneration area. The report specifically addresses the following issues:

- (a) update on the development of the Planning Parameters Document for the Winstanley and York Road scheme;
- (b) a consultation strategy for the next phase of engagement with residents on the estates and in the neighbourhood;
- (c) details of the bid to the Greater London Authority for designation of the Winstanley and York Road Estates and the local neighbourhood as a Housing Zone; and
- (d) further details on the commitments to existing Council tenants and owners on the estates who may be directly affected by the proposals.

The report also makes recommendations necessary to progress the scheme.

GLOSSARY

GLA Greater London Authority
HRA Housing Revenue Account
PPD Planning Parameters Document
TfL Transport for London

RECOMMENDATIONS

- 1. The Housing and Regeneration Overview and Scrutiny Committee are asked to support the recommendations in paragraph 3.
- 2. If the 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) endorse the consultation strategy for the next phase of engagement on the Winstanley and York Road Scheme;

- (b) agree that the Council should submit a bid to the Greater London Authority for Housing Zone status for Winstanley/York Road and surrounding neighbourhoods;
- (c) authorise the Director of Housing and Community Services, in consultation with the Director of Finance, to approve the final form of the bid and of the delivery agreement (should the bid be successful); and
- (d) agree to continue consultation, discussions and negotiations with the freehold owners at Ganley Court and all third parties over acquisition and possible reprovision within the regeneration area.

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 and Putney Heath Wards. 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 (HRA) 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. Reports to the Housing and Finance and Corporate Resources Overview and Scrutiny Committees and the Executive in November 2012 (Paper Nos. 12-679 and 12-680) presented findings from initial resident consultation 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 to select masterplanning teams to bring forward masterplans for both Winstanley and York Road and for Alton.
- 6. GVA and Levitt Bernstein were selected to produce a masterplan for the Winstanley and York Road Estates and commenced work in June 2013. Further progress reports were provided to the Housing and Finance and Corporate Resources Overview and Scrutiny Committees and the Executive in June (Paper No. 13-376) and to the Housing Overview and Scrutiny Committee and the Executive in November 2013 (Paper No. 13-703) as the plans developed.
- 7. Following an options assessment and consultation process, a report was provided to the Housing and Finance Corporate Resources Overview and Scrutiny Committees and Executive in March 2014 (Paper No. 14-158). The report endorsed the Preferred Option for development which had emerged from the masterplan options process and set targets for the next stage of scheme development.

PLANNING PARAMETERS DOCUMENT

8. The Council is in the process of developing a Planning Parameters Document (PPD). The purpose of the PPD is to set out a supported pre-application planning position before the procurement stage that is endorsed jointly by; the Council as landowner, the

Council as Local Planning Authority, the Greater London Authority (GLA) as Strategic Regional Planning Authority and Transport for London (TfL). The PPD will set out the scope and scale of the regeneration and the parameters for the development that are deemed acceptable in planning terms. This will provide clarity for local residents and stakeholders on both the estate and in the wider area and will help de-risk the opportunity for prospective development partners. The PPD will not carry the weight of a formal Supplementary Planning Document or Development Plan Document. In this respect it is intended to be flexible enough so plans can adapt and change whilst taking account of the parameters set. The PPD is targeted for completion in October and will be reported to a subsequent Committee cycle for approval by the Executive.

9. As explained in Paper No. 14-158, the preferred option has been developed in more detail in key areas over this period. This has been undertaken alongside work to produce the PPD which has enabled the scope of development to be fully tested against the Council's planning policies.

NEXT PHASE CONSULTATION

- 10. A consultation strategy has been prepared incorporating all the elements and strands of consultation that will be undertaken. These are attached at Appendices 1 and 2.
- 11. The intention is to develop and deliver this consultation strategy over the late summer and autumn and individual consultation materials will be developed as required through this period.
- 12. The key strands of the consultation are to consult and engage on individual elements of the scheme as they have been/are developed further, to engage one to one with residents concerning the direct impact on them and, finally, to draw all these elements together alongside the presentation of the new PPD and illustrations of the implications of the PPD wording. Arrangements have also been put in place that will allow for full consultation and involvement in the development of improvement plans for Penge and Inkster House by residents. This will also include ensuring that the plans are appropriate, compliment and dove tail with any larger regeneration plans that might be implemented.
- 13. The majority of the continuing engagement over the summer and at the start of the next period is focussed on one to one discussions and contact with residents concerning the individual impacts on people, understanding their needs and ensuring they are aware of how the Council will support them through any process. By the end of the process engagement will move to explaining the long term proposals and timetable more clearly. It is proposed that once consultation moves onto the PPD that the focus is widened to engage with the wider neighbourhood as well as estate residents and local stakeholders.

HOUSING ZONES

14. In June, the Mayor of London launched a prospectus proposing the creation of a number of housing zones across London. The zones are to be designated areas where a range of planning and financial measures will be used to unlock and accelerate housing delivery and build more affordable housing for working Londoners. These are proposed as ten year programmes and the GLA and the Treasury have allocated £400

million, of which at least half is in the form of repayable investment, to support the programme.

- 15. The Mayor has invited boroughs to bid for this designation and has indicated that up to 20 zones will be created across London. The Winstanley/York Road scheme has been selected by the Mayor as one of five 'front-runners', which have been identified as having clear potential to deliver significant housing supply. Housing zone investment must directly result in unlocked or accelerated housing supply. Whilst this is a ten year programme, the prospectus recognises that this will vary from zone to zone and highlights that early results are important and it is expected that new housing will come forward in the 2015-18 period as a direct result of housing zone intervention and Mayoral support.
- 16. The Mayor has identified a range of measures which can be used in housing zones but has also made clear that discussions with bidding zones could result in bespoke measures being agreed. The Council has already made clear that some of the measures proposed, such as Local Development Orders to minimise planning risk would not be required or appropriate in Wandsworth.
- 17. In discussion with the GLA, officers are drawing up a potential bid for housing zone status. The bid area covers the Winstanley and York Road estates masterplan area as its core but also encompasses potentially two adjoining neighbourhoods to the north and south. This extended zone incorporates areas which are captured in the Council's site specific allocation document, namely the area between the estates and the river to the north and Clapham Junction station and its environs, to the south. See map attached at Appendix 3.
- 18. The outline bid has identified key 'asks' which the Borough would want to be delivered through the Housing Zone. These are: -
 - (a) Mayoral intervention to secure a co-ordinated approach to securing early delivery from the wider public sector family. Most crucially, this would include ensuring that TfL take a positive view of the benefits of relocating the existing bus stand at Bramlands, delivering a bus station solution which allows for bus pick up and drop off but moves the bus stand away from the core development area outside Grant Road entrance to the station. Further, this would involve working with Network Rail to develop any plans for the improvement of Clapham Junction station swiftly and in a manner that allows for release of sites that could promote new housing and other development beneficial to the neighbourhood and working with Thames Water to ensure that works to the Falconbrook pumping station are planned with due respect to the need to secure new housing and to the benefit of the local neighbourhood;
 - (b) GLA strategic planning endorsement of the PPD which sets guidelines for development of the core masterplan area. Providing support for new housing development and for a flexible mix of tenures to meet local need and to ensure that development particularly in the early stages remains viable;
 - (c) flexibility in the use of Right to Buy one for one replacement receipts and commuted sums to support new and accelerated development;

- (d) funding for infrastructure works which could allow new development to be accelerated and demonstrate that the Council and its partners are committed to delivering short and longer term improvement in the area. This could include funding for infrastructure works to create the new bus stand and funding for temporary improvements to local open space and leisure provision during the course of the development;
- (e) possible preferential borrowing rates below the usual Public Works Loan Board rates for any Council borrowing that may be required; and
- (f) possibly GLA underwriting of sales risk in order to de-risk early development.
- 19. There are some areas of concern to the Council that officers will need to address during the bid negotiation process:
 - (a) the Mayor has made clear that he will expect to agree a delivery framework linked to a target number of homes, to be agreed by all partners in the bid and will expect all parties to be held accountable to this framework with any funding conditional on performance. Whilst the principle of this is clear, the Council will need to ensure that the agreement does not hold it responsible for actions over which it does not have control;
 - (b) the detail of any agreement which the Council will be expected to sign will have to be fair, tailored to the particular circumstances and priorities being established for this regeneration and not impose onerous conditions on the Council;
 - (c) the Mayor will expect to create a delivery board for each zone, comprised of the GLA, the relevant borough council and key landowners/developers. This should be a useful vehicle to ensure effective delivery but the Council will need to be assured that its own level of control and governance is effectively retained; and
 - (d) the Council will want re-assurance that any agreement signed now does not in itself commit the Council to any future changes in strategic London Mayoral priorities.
- 20. The deadline for submission of initial bids is 30th September 2014 with a GLA target of announcing results and successful bids by the end of November 2014.
- 21. Should Members be content for the Council to submit the bid for housing zone status, it is suggested that negotiation and agreement of the final form of bid and of any delivery framework is delegated to the Director of Housing and Community Services in consultation with the Director of Finance.

RE-HOUSING AND DEVELOPMENT OF THE RESIDENTS' OFFER

22. As explained in Paper No. 14-158, the Council issued initial commitments to residents as part of the consultation on options in the autumn of 2013. These commitments applied to both the Winstanley/York Road scheme and to Alton. The report explained that a more detailed development of the resident commitments to both owners and tenants will be prepared over the next phase of the project. A more detailed draft of the commitments is now being developed for both areas. The working draft of these

- documents for Winstanley and York Road are attached at <u>Appendices 4 and 5</u>, with the appropriate changes to be made to reflect the Alton scheme.
- 23. The booklets contain a more detailed explanation of the process that will be followed should either of the two schemes proceed. It is intended that this process description coupled with a clearer expression of timescales and commitments to resources to support people through the process will assist in providing re-assurance to residents. The booklet for owners incorporates the more detailed description of the shared equity offer which was developed following approval of the form of the offer in Paper No. 14-158 and was explained to owners in a letter issued by the Council in May 2014. The booklets also highlight that the Council may now be in a position to offer to buy out owners who want to sell at this stage in certain circumstances.
- 24. As explained in the consultation strategy above, it is proposed that residents are informed of these more detailed commitments which will be developed into a public booklet. It is intended that these are consulted on through the next period with a target to adapt and submit these for approval in a further committee cycle.
- 25. In order to build up a more detailed picture of the existing residents of the estates, provide a further level of clarity for the emerging phasing plans and provide a continuing, developing engagement and re-assurance outlet for local residents, the Council has also been undertaking door to door surveys of the potentially affected blocks. This has enabled the Council to better understand the more detailed needs, household composition and particular circumstances and desires of residents.

NEGOTIATIONS WITH HOUSEOWNERS AND OTHER LANDOWNERS AFFECTED BY PROPOSALS

- 26. Whilst consultation and discussions are ongoing with all those within the proposed regeneration site, Paper No. 14-158 identified a particular issue had arisen during the preferred option consultation concerning the treatment of the two terraces of houses in Ganley Court and the need to identify alternative locations for other community uses and church buildings in the area. As part of the continuing consultation, discussions and negotiations with all affected parties, Council officers have focused efforts on addressing these issues. In particular, officers have been developing proposed alternative options to demonstrate how these residential owners and community users will be able to stay within the area following completion of the development proposals.
- 27. As an example, the draft proposal for owners of houses within the estate is attached at Appendix 6, and further work is being carried out to prepare proposals for the community uses.
- 28. Agreement has not yet been reached with these affected parties, but discussions and negotiations will continue in parallel with other work on the scheme proposals in an effort to reach agreement.

COMMENTS OF THE DIRECTOR OF FINANCE

29. The Director of Finance comments that the costs of implementing the proposed consultation strategy will be met from existing provision within the HRA capital programme. Whilst the creation of a housing zone may deliver additional financial resources for the scheme, no reliance is currently being placed on this as a funding

source. Officers need to ensure that the conditions of any such agreement are deliverable.

The Town Hall, Wandsworth, SW18 2PU.

BRIAN REILLY Director of Housing and Community Services

5th September 2014

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; (Thayyiba Shaah, 020 8871 6039; email tshaah@wandsworth.gov.uk) can supply if required.

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