

WANDSWORTH BOROUGH COUNCIL

HOUSING OVERVIEW AND SCRUTINY COMMITTEE – 19TH JUNE 2013

FINANCE AND CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE -
27TH JUNE 2013

EXECUTIVE – 1ST JULY 2013

Joint report by the Director of Housing and the Director of Finance on the current position regarding the regeneration projects for the Winstanley/York Road (Latchmere) and Alton (Roehampton and Putney Heath) Estates.

SUMMARY

This report updates the Overview and Scrutiny Committees and the Executive on the progress with masterplans for the Winstanley/York Road and Alton regeneration areas and advises that GVA/Levitt Bernstein have been selected as masterplanners for Winstanley/York Road and GVA/Studio Egret West for the Alton area.

The Committees and the Executive are asked to endorse the proposed approach to investigating the option for new leisure facilities through the Winstanley/York Road regeneration and for development of a tenant and leaseholder “outline” offer for the two regeneration areas that will form the basis of further discussion with local residents and modelling options for the masterplanners.

RECOMMENDATIONS

1. The Housing and Finance and Corporate Resources Overview and Scrutiny Committees are asked to support the recommendations in paragraph 3.
2. If the Overview and Scrutiny Committees approve any views, comments or additional recommendations on this report, these will be submitted to the Executive and/or the appropriate regulatory or other committees for consideration.
3. The Executive are recommended to: -
 - (a) note the update on progress with the masterplans for Winstanley/York Road and Alton area and the appointment of GVA/Levitt Bernstein for Winstanley/York Road and GVA/Studio Egret West for the Alton area;
 - (b) endorse the approach to investigate the provision of new leisure facilities within the Winstanley/York Road masterplan;
 - (c) endorse the principles contained within the emerging ‘tenant and leaseholder offer’ for the treatment of any residents and owners that may be affected by the

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masterplan proposals; and

- (d) to note the creation of temporary office space at 1-29 Danebury Avenue to support the regeneration proposals in the Roehampton 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 life chances of those living in the most deprived areas of Latchmere and Roehampton 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 (which includes any costs incurred on the Winstanley/York Road and Alton area schemes).
5. In April 2013 (Paper No. 13-242), the Finance and Corporate Resources Overview and Scrutiny Committee received an update on progress so far in delivering the wider Aspirations Programme. In addition, to extensive work already underway, for example the Troubled Families and Family Recovery Programmes and Jobs Brokerage, the Executive agreed new proposals for a restructured Roehampton Partnership, the establishment of a new Health and Wellbeing Challenge in Roehampton, the creation of a mentoring scheme in Battersea and the continuation of the Ending Gangs and Youth Violence Programme.
6. Reports to the Housing and Finance and Corporate Resources Overview and Scrutiny Committees on 14th and 15th November 2012 presented findings from resident consultation and engagement across the two areas. 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; Alton and Winstanley/York Road. In order to fund these two masterplans, a total budget of between £500,000 to £600,000 was identified on the basis that the exercises should provide a comprehensive assessment of improvement options and the basis to take any plans agreed forward. There was also an emphasis that the exercises needed to engage with local communities and stakeholders in developing plans.
7. The procurement has now been completed and the following teams selected: -
 - (a) Alton – GVA Grimley and Studio Egret West; and
 - (b) Winstanley/York Road – GVA Grimley and Levitt Bernstein
8. GVA Grimley have been chosen as project managers for both schemes. GVA were asked to demonstrate and have assured the Council that they have the capacity to undertake these two masterplanning exercises with their appointed architects. GVA are experienced masterplanners with over 20 years experience in this field of work. GVA highlighted their work on the mid-Croydon masterplan and the Abbey area regeneration in the London Borough of Camden as of particular relevance.
9. Levitt Bernstein have highlighted their work on Aylesbury Estate and Bermondsey Spa in Southwark and Abbey Road in Camden.

10. Studio Egret West have highlighted their work on Park Hill Estate in Sheffield and on the Clapham One development in Lambeth.
11. The masterplan teams have now commenced work and have a target of the end of the year to conclude the masterplans. A further report to the Housing and Finance and Corporate Resources Overview and Scrutiny Committees on the masterplans will be produced following this, early in 2014. Options for each scheme should emerge in late summer/early autumn of this year for consultation with the respective estate residents and other stakeholders.
12. There are also key elements of the masterplan process that are developing: -
 - (a) for Winstanley and York Road Estates, there is a focus on early, inclusive and intensive resident and stakeholder engagement and consultation. This will allow residents and stakeholders to input into developing options, counter any concerns about involvement and to enthuse and reassure local residents about the opportunities more progressive change can bring;
 - (b) a focus that has been re-emphasised for both areas is that plans must be financially deliverable and the masterplanners will be expected to produce rigorous financial models that can thoroughly test the emerging options; and
 - (c) for Alton, the masterplanners have recognised the particular challenges of delivering regeneration and improvement in an area of high right to buy penetration and constraints relating to the presence of listed buildings and a Conservation Area.

OPPORTUNITIES TO IMPROVE THE PROVISION OF LEISURE FACILITIES THROUGH THE WINSTANLEY/YORK ROAD REGENERATION SCHEME

13. In April 2013, the Executive approved (in Paper No. 13-285) a fundamental review of its leisure facilities. The officer team reviewing the leisure facilities consider that opportunities could exist for the provision of leisure related facilities within the Winstanley/York Road regeneration area and that this is something that should be considered as part of the masterplanning exercise. It is, therefore, recommended that the masterplan brief for the regeneration area be amended to include exploring the option of the provision of new leisure facilities as part of the area wide masterplan.

DEVELOPMENT OF A LOCAL PROJECT OFFICE IN ROEHAMPTON

14. In order to support the regeneration proposals, it has always been the intention to establish a project office in the heart of the regeneration area from which staff could work and also provide a venue that could host drop-in sessions for local residents. Originally, it was hoped that the project office could be established in the Danebury Avenue retail parade, but a suitable opportunity for occupation has not arisen.
15. Occupation of a unit on Roehampton High Street has been considered; however, this was felt to reinforce the physical severance between the Alton Estate and Roehampton and be a barrier to effective engagement and would have required the Council to enter into a commercial lease.

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16. A proposal, therefore, to develop a temporary type structure for the undercroft of 1-29 Danebury Avenue to provide around 50 square metres of office space has been worked up and a planning application (Ref 2013/1679) submitted.
17. Subject to ground surveys and procurement, the estimated cost of provision of the temporary structure and the creation of the office space is £120,000 and, if further investigation confirms the current estimated cost, it is proposed that the development of the project office in that location proceeds.
18. A similar proposal to develop a local project office in the Winstanley and York Road area is also being investigated with costs currently being estimated for bringing back into use a vacant retail unit on Pennethorne Square.

DEVELOPING A TENANT AND LEASEHOLDER OFFER IN ALTON AND WINSTANLEY/YORK ROAD

19. This section of the report sets out some of the principles for the treatment of residents of the estates who may be affected by the regeneration programmes should they proceed and discusses how these principles may be developed into a more detailed 'tenant and leaseholder/freeholder offer'. Paper No. 12-679 highlighted the need to develop principles for the treatment of residents and this report responds to that requirement.
20. At this stage it is not known whether there will be requirements to decant or voluntarily acquire any residents' or other owners' properties as a result of the regeneration scheme and this will not become clearer until the masterplans are complete and a way forward agreed. However, the development of these principles at this stage will assist in the positive engagement of local residents within the masterplan development process and respond to any concerns that may be being expressed even at this very early stage. By providing re-assurance for residents that the Council is aware of and actively considering key issues, such as re-housing policies, the principles will reduce residents' uncertainty and reduce the consequent reluctance for residents to consider more radical options for fear of and lack of understanding of the potential impact upon them.
21. The suggested principles are attached at Appendix 1 to this report. The development of these principles is of particular importance in the areas, where consideration of regeneration and redevelopment is a new issue and there is not a history or experience and knowledge of these issues within the area.
22. Only as the masterplan and accompanying financial model begin to take shape will it be possible to produce a more detailed set of decant and acquisition policies building upon these original principles. Consequently, substantive engagement and discussion with residents to develop the details of the local offer are not likely to commence until the autumn after the initial options appraisal process. At this point, it is envisaged that engagement with residents would be led through the residents' associations in each area, with a follow-on process of ensuring all residents are engaged and informed.
23. By engaging with residents in this way, the Council will be able to demonstrate that it is delivering an open and inclusive process with local people, whilst providing re-

assurance to residents and providing a counter argument to those who may claim the Council has a hidden agenda regarding existing residents. In addition, the agreement of more detailed policies with local residents will assist the further development of the financial model and phasing options underpinning any master plans developed and assist in the attraction of investment to the area by providing more certainty around the costs of implementation.

24. By the end of the masterplan process it is envisaged that the Council will be in a position to identify, as required, a package of commitments to residents and other property owners in the Winstanley and York Road Estates and Alton area. This will assist the Council in ensuring that the full impact on residents of any decision to proceed are able to be comprehensively accounted for, thus reducing the risk of a legal challenge.
25. There is a risk that the improvement proposals may develop in such a way as to not require the use of decant and voluntary acquisition. In this case, it could be argued that the Council has needlessly engaged in the process with local people. However, it is difficult to see how this risk outweighs the need to model different regeneration and, in turn, decant options, the benefits of engaging early with local people and ensuring people are fully aware of the implications of the development options being considered. The Council must ensure it is clear in its message that this remains a process of option appraisal and that no decisions as to the way forward will be taken until after the masterplans are complete.

Informing Residents

26. The concerns of residents have been discussed with existing and emerging residents' associations in affected areas. The association representatives who have been consulted with would appear to be understanding of the need for the masterplans to develop further before a detailed offer can be taken forward. Two key issues raised where clarity will be sought during the development of the offer are: defining the geographical areas within which re-housing will be sought; and detailing the affordable purchase package for existing owners who may wish to buy into any new scheme.
27. Should these principles be agreed, it is recommended that they are developed into a simple set of commitments which can be used in the masterplanning process and publicised accordingly as part of the communication plan agreed between the masterplanners, the Council and local residents and stakeholders.

Way Forward – Next Steps

28. The question of "residents' offer" has begun to be raised regularly by active residents within both regeneration areas, but in particular on Winstanley/York Road where the issue of regeneration is new to residents. The matter of a residents' offer could easily become an issue of contention and concern that disrupts the masterplanning process and any regeneration and improvement plans. If the Council does not respond to these issues it is difficult to see how effective engagement of local people in the masterplan process can be secured.
29. The principles set out in Appendix 1 to this report provide the basis of commitments by the Council to local residents. So, whilst the detail may not have been worked through, local residents can be assured that the Council is considering issues of concern to them, in particular their future rehousing/housing/financial offer. Crucially, these

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principles can also be used to feed into financial modelling as the masterplan options begin to take shape.

30. It is not intended that any further substantive engagement and discussions with residents around the detailed offer will be held until the autumn when initial options appraisal has been undertaken and the details of the masterplans begin to emerge, although they will be used to assure residents etc. The Council should, however, at this stage declare a willingness to enter into such discussions when the time is right.

EQUALITIES IMPACT ASSESSMENTS

31. The final masterplan and form of residents' offer will need to be accompanied by full Equalities Impact Assessments. The masterplan consultants have, within their commission, a requirement to work with the Council to produce these.

COMMENTS OF THE DIRECTOR OF FINANCE

32. The Director of Finance comments that the procurement exercise to select masterplanning teams for both regeneration areas has been completed, with each team having been set a target of the end of 2013 to conclude their masterplanning work. The costs associated with these exercises are to be met from within existing approved Housing Revenue Account capital budgets for regeneration. Provision has been made in the Housing Revenue Account business plan to borrow up to £100 million in the future to fund the Council's aspirations agenda (which includes any costs incurred on the Winstanley/York Road and Roehampton area schemes).
33. From the emerging plans it is possible that the demolition of both privately and Council owned properties could be required. The Council will need to compensate displaced residents for the loss of their property which has increased the need to begin to create a residents' offer that will highlight the 'in principle' level of compensation, assistance and other commitments that are to be put in place for residents where decant is required. For privately owned properties, this would involve compensation payments linked to any Compulsory Purchase Order that may need to be served and for Council tenants (but not tenants of private landlords) there would be a need to provide alternative accommodation and financial compensation via homelessness payments. These principles are set out in Appendix 1 to this report.
34. The principles will form the basis of consultations with accredited residents' associations with more detailed decant and acquisition policies emerging as the masterplan begins to take shape. The residents' offer details are required for the financial modelling purposes that will be integral to the masterplans and to the financial appraisal undertaken. Should the level of compensation and financial assistance commitments be too generous this could have an impact on the overall viability of the regeneration schemes.
35. The amendment to the masterplanning brief to consider the re-provision of leisure facilities on the Winstanley/York Road scheme will be explored and it will need to be demonstrated that the inclusion of this does not impact on the overall viability of the regeneration project.
36. The construction of the project office on Danebury Avenue will provide a temporary

facility in the heart of the regeneration area. Subject to ground surveys and procurement the estimated cost of provision of the temporary structure is £110,000 which would be met from within the existing approved HRA capital programme for Regeneration Projects with the office fixtures and fittings, at an estimated cost of £10,000, being met from within existing revenue budgets. Should the creation of a similar local project office for the Winstanley and York Road area be pursued the costs of creating this facility would also be expected to be met from existing HRA capital or revenue budgets depending on the nature of the expenditure.

CONCLUSION

37. If the Executive approve the proposals within this report, the Director of Finance, the Director of Housing and the Economic Development Officer will progress the masterplan and dissemination of the outline residents' offer accordingly.

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11th June 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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