

Item No. 5.1	Classification: Open	Date: 25/09/200 7	Meeting Name: Major Projects Board
Report title:		Aylesbury – Delivery Issues	
From:		Strategic Director For Major Projects	

RECOMMENDATION

1. That Major Projects Board note delivery issues and options for the regeneration of the Aylesbury Estate set out in the attached paper prepared by Urban Initiatives.

BACKGROUND

2. The attached advice has been prepared by Urban Initiatives, the appointed masterplanners, in response to meetings held with Council Officers to set out the issues and challenges facing the Council in the successful implementation of its emerging Masterplan and Area Action Plan(AAP)for the Aylesbury Estate. The work is in the context of the following core objectives of the regeneration:
 - The highest quality scheme that replaces the stigma of an 'Estate' with a strong urban street grid and variety of housing types and tenures for a wide-ranging population.
 - A scheme that is capable of attracting the best developers and architects which will support the Council's approach and take full advantage of both the site and the changing nature of the surrounding area.
 - An exemplar project that will be capable of winning awards from a wide variety of sources including the development, design and community sectors.
 - A scheme that re-houses tenants on site (with the exception of the south-west corner) through a 'one-move only' approach.
 - The creation of a balanced community and a financially viable project.
3. The advice sets out the main issues and highlights the need for co-ordinated decision-making and a clear implementation strategy. It seeks to establish a process for decision-making that will lead to a preferred mechanism for implementation. The advice also identifies the need for the council to be clear on its legal roles as both a landlord and a local authority.

KEY ISSUES FOR CONSIDERATION

4. The discussion paper recommends that the assessment of the correct delivery and procurement vehicle can only occur after key policy decisions to be adopted by the Council. These relate to the Council's level of control and involvement and the involvement of other elements of the public sector. It recommends that:

- efforts should now be made to extend and develop discussions with other possible public sector partners to establish the extent of their involvement;
- an effective financial assessment of the necessary capital input and return on the development needs to be made in some detail through an agreed financial modelling exercise; as well as a similar assessment of the revenue and capital impacts and benefits on and to the Council; and
- further investigations should be made to establish the extent to which there is an appetite in the private sector for funding involvement in a project of this scale and length.

5. Other key issues include:

- Land Control – due to the long leasehold interests, and having considered the level of acquisitions that will be required, acquisition and demolition costs are currently estimated to be in the range of £77m –97m (2006 prices). The use of a single CPO or series of CPOs is also a key issues for consideration.
- Housing Issues – in general, the new mixed development will provide the re-housing capacity for current residents. However, it will be important that residents’ needs and aspirations are met and that residents have access to equivalent housing opportunities and standards regardless of when in the timetable they are rehoused. The adopted approach will also need to facilitate the ongoing management of the estate in the interim, including care and upkeep and maintaining safety and security.
- Financial Viability and Financial Risk - The Council is currently considering the type of financial model that should be set up for this project. While noting that detailed work will need to be completed, the advice states “As a Consultant team we believe that ,over its complete timescale, the project is capable of becoming financially viable. This is because both the estate and wider area will be subject to positive change.”

APPENDICES

No.	Title
Appendix 1	Urban Initiatives

AUDIT TRAIL

Lead Officer	Stephen McDonald, Interim Strategic Director, Major Projects
Report Author	Martin Smith, Project Director, Major Projects
Version	Final
Dated	17 September 2007