

Item No.	Classification: Open	Date: February 2015	Decision maker: Cabinet Member for Regeneration, Planning and Transport
Report title		Aylesbury Regeneration – Early activation of 57-76 Northchurch	
Ward(s) or groups affected		Faraday Ward	
From:		Head of Regeneration South	

RECOMMENDATION

1. That the Cabinet Member for Regeneration, Planning and Transport approves the re-phasing of 57-76 Northchurch, from Phase 3 of the existing Aylesbury regeneration programme and into Phase 2 for immediate rehousing.

BACKGROUND INFORMATION

2. 57-76 Northchurch currently falls within Phase 3 of the current Aylesbury regeneration programme, and was identified as part of site 9 in the Aylesbury Area Action Plan (“AAAP”).
3. The decant timeframe for this phase that was set out in AAAP was 2017–2020. The Business Plan agreed with Notting Hill Housing Trust for the development partnership for the regeneration of the estate signed in April 2014 further refined those timescales for Phase 3 and identified that rehousing for 57-76 Northchurch and other blocks in that phase would run from August 2018 to April 2021. Under any previously publically advertised programme the rehousing process for this block would not have commenced until 2017.
4. The council served Initial Demolition Notices on Northchurch and other blocks in Phase 3 in January 2013 and there are no live Right to Buy applications in 57–76 Northchurch.
5. There are currently 20 properties in total in the block. This is made up of 14 secure tenants, one property occupied for temporary accommodation, and 5 leaseholders. A preliminary check suggests that all 5 are resident leaseholders that purchased before Sept 2005 and who could potentially therefore qualify for rehousing assistance if this block was in an active phase.
6. By bringing this block out of Phase 3 and bringing it into Phase 2, rehousing assistance will be able to be offered to residents with immediate effect as the Phase 2 of the regeneration programme is already an active phase.

KEY ISSUES FOR CONSIDERATION

7. The council is committed to delivering new community facilities early on in the regeneration programme and these facilities will be located on the site currently occupied by the blue huts, the games court and 300-313 Missenden. This is identified as Plot 18 in the development agreement with Notting Hill (see plan attached as

Appendix 1). Works to redevelop the site are currently due to start in early to mid 2016.

8. Given the development of Plot 18, it has become apparent that works will seriously impact on the residents living in 57–76 Northchurch, given the proximity of the demolition and construction works to these properties. The hoarding for the site will butt up to the gardens of the ground floor properties and this presents an unacceptable impact and risk in terms of loss of light, dust / debris and noise, in particular.
9. To mitigate this risk and learning lessons from Site 7 (1-59 Wolverton) where the impact of an adjacent L&Q site has led to a loss of services and had an impact on resident's life through proximity to demolition and construction works, it is proposed that the residents of this block will need to be rehoused earlier than scheduled.
10. Housing SMT received a paper in January 2015 setting out this approach and approved this proposal subject to a formal council decision.
11. Warm, Dry and Safe (WDS) works are also currently being undertaken to all Northchurch blocks as well as Taplow. These works have anticipated a 5-7 year life for these blocks and reflected ongoing occupation over that period.
12. Under the proposal to bring 57-76 Northchurch forward for rehousing this would mean a shorter anticipated residential occupation of this block (1-2 years maximum), meaning that the existing package of works is no longer a viable option for this block. WDS works to windows and other parts of this block will therefore no longer be carried out, reducing costs to leaseholders living in that block and who under this proposal will be eligible for rehousing almost immediately.
13. Following advice from Building Control and the council's Fire Safety Compliance Team, it is recommended that works to ensure the building meets fire safety requirements are still carried out. This will include changing the front entrance doors and external store doors and fitting smoke detection units to the properties as planned. Smoke detectors will be optional for leaseholders but if accepted are not re-charged.
14. As work is currently on site on other Northchurch blocks, and leaseholders will be very shortly billed for works, it is important that the council communicates and explains its intentions around 57-76 Northchurch to residents as soon as possible.
15. Following approval of the re-phasing a letter would be sent from the regeneration team to all residents in 57-76 Northchurch informing them of the decision to bring their block forward within the regeneration programme and the implication of this regarding both resident re-housing and planned major works to the block.

Financial implications

16. There is a total of £76.7m allocated in the council's Housing Investment Programme for Land Assembly costs in the Aylesbury programme for the period 2014/15 onwards.
17. The capital budget allocation meets several cost types categorised as land assembly. Land assembly is estimated to take 15 years and includes the re-housing of tenants, the buy-back of all non-council owned interests including residential leaseholders and the demolition of the existing blocks. The estimated cost of the land assembly for the whole estate is approximately £150m spread over 15 years.

18. Land receipts in later years will generate significant income for the council that should offset the total land assembly costs.
19. By bringing forward the rehousing of tenants and leaseholders in 57-76 Northchurch, this involves bringing forward expenditure which would otherwise not have been incurred until Phase 3 became active in 2018/19. This will not however impact on the overall level funding required for land assembly.
20. In addition, it is anticipated that the availability of a small number of additional units provided through early repurchases may generate temporary accommodation income to the housing programme.

Resource implications

21. Based on current activity levels and the small number of residents within this block, the housing, regeneration and property services teams can support the rehousing of these tenants and leaseholders without additional resources.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Housing and Community Services

22. The strategic director of housing and community services supports the redevelopment of the Aylesbury Estate, and considers the early activation of the 57 – 76 Northchurch block as being appropriate in achieving the next steps of this priority objective, providing continued momentum to this initiative and ensuring that residents in close proximity to the Plot 18 development site do not have their quality of life adversely affected.
23. The council served Initial Demolition Notices on Northchurch and other blocks in phase 3 in January 2013 and currently there are no live Right-to-Buy applicants in block 57 – 76 Northchurch. As stated in point 14, leaseholders in this block will shortly be invoiced for a major works scheme that is currently on site. It is usual for major work service charge costs to be paid as part of the lease surrender transaction, with a suitable retention in lieu of the final account.
24. When the rehousing process commences, those leaseholders that wish to seek assistance from the council in making a rehousing application will be supported to do so by officers in Specialist Housing Services.
25. The strategic director of housing and community services endorses the council's commitment to provide new community facilities at an early stage of the regeneration and it is noted that on the development plot there will be sufficient number of target rent social housing units that will meet the needs of the existing tenants, and also other affordable housing options for both tenants and homeowners that are vital to meet the needs of the local population.
26. The strategic director of housing and community services recognises the importance of ensuring the council is able to deliver vacant possession, but that it works closely with the community and key partners to deliver this objective.

Director of Legal Services

27. If the recommendation of this report is approved, the council will require authority to purchase the leasehold interests in the block. Authority for the acquisition of all non council owned interests was contained in a report to the Major Projects Board on 15 January 2009. The authority for the acquisition of the individual leasehold interests was delegated to the Head of Property, in accordance with the council's constitution.

Strategic Director of Finance and Corporate Services (CE/14/005)

28. This report is requesting approval from cabinet member for Regeneration, Planning and Transport to approve the re-phasing of 57-76 Northchurch, from Phase 3 of the existing Aylesbury regeneration programme and into Phase 2 for immediate rehousing. The reasons for the re-phasing are contained within the main body of the report.
29. The strategic director of finance and corporate services notes that the costs of the re-phasing and the immediate rehousing can be contained in the currently approved overall Aylesbury regeneration budgets within the Housing Investment Programme. However, budgets will need to be re-profiled in line with revised expenditure projections for the Aylesbury regeneration programme.
30. It is also noted that some of the works intended under the initial Warm Dry and Safe (WDS) programme for the block will not be required and officers will need to update the overall WDS programme budgets to incorporate the related savings.
31. Staffing and any other costs connected with this recommendation to be contained within existing departmental revenue budgets.

BACKGROUND DOCUMENTS

Background Documents	Held At	Contact
Aylesbury Area Action Plan	http://www.southwark.gov.uk/info/200211/area_action_plans/1327/aylesbury_area_action_plan	Simon Chambers, 020 7525 7495
Selection of a Preferred Partner to Work with the Council to Deliver the Regeneration of the Aylesbury Estate	http://moderngov.southwark.gov.uk/ieDecisionDetails.aspx?ID=4326	Simon Chambers, 020 7525 7495

APPENDICES

No	Title
Appendix 1	Plot 18 site plan

AUDIT TRAIL

Lead Officer	Neil Kirby, Head of Regeneration South	
Report Author	Simon Chambers, Programme Officer – Regeneration South	
Version	Final	
Dated	17 February 2015	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Strategic Director of Housing and Community Service	Yes	Yes
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
Cabinet Member	No	No
Date final report sent to Constitutional Team	17 February 2015	