

Housing Finance and Corporate Services Policy and Scrutiny Committee Report

Date:	15 January 2018
Classification:	For General Release
Title:	Call-in of: Church Street Master Plan
Report of:	Barbara Brownlee, Executive Director, Growth Planning & Housing
Financial Summary:	The report, the subject of this call-in sets out the financial details
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1. Executive Summary

- 1.1 On 4 December 2017 the Cabinet made the following executive decisions in respect of the Church Street Masterplan:
- (i) That Appendix 3 of the Cabinet Report be exempt from publication under Section 100 (A) (4) and Part 1 of Schedule 12A to the Local Government Act 1972 (as amended) as it contains information which should be exempt from publication in that it contains information relating to the business and financial affairs of the authority
 - (ii) That Cabinet noted the Church Street Masterplan Consultation Report and on the basis of the proposed amendments to that document as a result of the consultation approved the Church Street masterplan as the Council's delivery framework for the regeneration programme in Church Street.
 - (iii) That Cabinet noted that further consultation will need to be undertaken on each area where a CPO may in the future be required on the full range of options to include the "do nothing" or maintenance only and refurbishment options as well as development options.

- (iv) That authority is delegated to the City Treasurer to enter into a funding agreement with the Greater London Authority to formalise the terms of the second phase of the Edgware Road Housing Zone funding.
- (v) That authority is delegated to the Executive Director of Growth, Planning and Housing to approve acquisitions by the Council to acquire all leasehold interests in the blocks proposed for demolition (if a development option is approved in the future) situated within sites A, B and C, that are in addition to those identified in the Futures Plan where approval exists to offer the compensation policies within the Council's Policy on Leaseholders in Housing Renewal Area, designated as Church Street site 2, Blackwater House and Eden House, by agreement at market price.
- (vi) That authority is delegated to the Executive Director of Growth, Planning and Housing to approve spending on feasibility activity in line with the HRA business plan.

1.2 The Members of the Church Street Ward have subsequently exercised their right that the decision be "called-in" for scrutiny by the Committee.

2. Recommendation

2.1 That the Committee reviews the decision outlined above and, in this instance, agrees one of the following options:

- (a) To endorse the decision made by the Cabinet.
- (b) To refer the matter back to the Cabinet for reconsideration.

3. Background

3.1 On 5 December 2017 notice of this decision was published in accordance with the Council's Constitution. This is set out in Appendix A.

3.2 On 11 December 2017 a valid call-in from Councillors Barbara Grahame, Aicha Less and Aziz Toki was received. Set out below is a note provided by the Councillors setting out the background to the reasons for the call-in together with a detailed response:

Q1. Height of Buildings: any final decision should await finalisation of the council's own policy document "Building Height: Getting the right kind of growth for Westminster" is completed. We certainly want the right kind of growth in Church Street. Meanwhile there is no rationale offered for the demolition of Kennet House, a popular 15 storey block on the North side of Church Street, and replacing it with a 16 storey block on the South Side that will cast a shadow over the street market.

Response:

The “Building Height” consultation response is feeding into the preparation of policies for the new City Plan on Building Height. The outcomes of the consultation will be factored into the design as it progresses.

The masterplan sets out the framework for development in Church Street, it is not a final decision on any demolition proposal or new building locations or heights. As noted in the Cabinet Report, further consultation and analysis is required and will be undertaken to inform the recommendations to Cabinet on the final scale and scope of the masterplan.

- Q2.** The updated masterplan does not comment on the retention of Westminster Adult Education Service in Westminster which is supported in the consultation. The service is hugely important in supporting regeneration, if the Masterplan is to be anything more than a building scheme.

Response:

Consultation responses asked for assurances on the re-provision of WAES. This is highlighted in page 29 of the Consultation Report – “Specify intentions around re-providing both Church Street library and Westminster Adult Education provision in consultation with service providers and users”. Page 39 of the updated Masterplan now includes this line: “New opportunities for jobs and training including the provision of the future needs of Westminster Adult Education Services in the area on one of the new masterplan sites.

WEAS has noted in the formal response to the Consultation that they have been assured that it is the intention to re-provide the adult education services.

- Q3.** Demolition on such a large scale versus renovation is not dealt with, and no information is given about which blocks are in such poor condition that they cannot be retained. Large scale demolition is notoriously detrimental especially in a high density area such as Church Street. Residents and businesses in blocks which are not to be demolished will be unnecessarily disturbed.

Response:

The 2012 Futures plan proposed 776 new homes. The increase to 1,750 new homes in the current proposal has been achieved in part due to additional homes being proposed for demolition than in the futures plan. This achieves better Place shaping through providing comprehensive neighbourhood infrastructure along with significant uplift in the quality, quantity and tenure range of new homes.

The proposal for demolition of existing units in the masterplan was arrived at via a comprehensive review of the area and in conjunction with the City for All Programme and City Plan. The masterplan produces 1,750 new homes, of which 50% will be Affordable Housing as defined by the Department for Communities and Local Government. The homes of existing tenants will be re-provided at social rent levels per the Mayor of London draft good practice guide for estate regeneration.

A requirement for further consultation based on the advancing design and analysis is noted in Section 9, Financial Implications.

The requirement for further information on the impact and approach to the market was noted in the Church Street Masterplan Consultation Report, and further information is provided on page 66 of the masterplan.

- Q4.** Housing tenure is crucial to the regeneration of Church Street. The updated Masterplan does not reflect the Mayor's Policy, the aim of 50% affordable housing, despite financial support and the Housing Zone. The reality of existing residents being unable to buy or rent so-called affordable housing. Existing tenants must not be driven out. Current over-crowding should be eliminated. The new policy for Leaseholders in regeneration areas needs careful monitoring. The current positive attitude to regeneration in Church Street will not survive if these issues are not properly considered and re-considered as need be.

Response:

The current proposed masterplan will deliver 50% affordable housing. This is detailed on page 98 of the Church Street masterplan. Of the 1,756 new homes proposed (rounded to 1,750 for publication), 891 are Affordable and 865 are for private sale, representing 50.7% Affordable Housing. Note that 100% of social housing demolished to enable the regeneration of Church Street will be re-provided on the same terms, in addition to new social housing being provided.

The number of new homes proposed for Church Street sites A, B, and C in the masterplan are per the number of new homes specified in the conditions of the GLA Edgware road Housing Zone funding.

The Cabinet Report Financial implications (8.3) note that the proposed Leaseholder Policy will impact upon the masterplan and the full impact will be known when the Leaseholder policy is finalised.

It is a fundamental objective of the masterplan to address the current and future needs of the Church Street residents, this informed the brief to the masterplan team and will continue to be a fundamental objective and consideration as the detail plans progress.

- Q5.** Demolition of Supported Housing, such as Lambourne House, is added to the Masterplan without any evidence that it will be replaced in the new scheme. Relocation of these residents will be particularly complex and needs mentioning in the Masterplan.

Response:

The provision of Supported Housing needs is noted on Page 36 of the Masterplan "Schemes will also provide a range of housing tenures and types to meet the needs of the existing and future population, which could include a range of affordable rented products, sheltered or supported housing or extra care housing. The need to meet this range of requirements is one of the key

reasons that the sites proposed are more comprehensive than in previous proposals for the area”

- Q6.** Protection of historic buildings: the Masterplan emphasis is so much on the 60s buildings, protecting much-loved historic buildings is barely mentioned. The gabled buildings on Edgware Road between Church Street and Marylebone Road, the Schoolkeeper’s House on Cosway Street, Victorian and Georgian Houses and pubs will be defended by residents.

Response:

Concerns regarding the protection of historic buildings were not a key theme of the Consultation. However, the retention and celebration of buildings of architectural merit and historical significance is a key theme of the masterplan.

A detailed assessment of the historic buildings in the areas was undertaken in order to inform the masterplan. Further to consultation feedback, an additional study has been undertaken specifically in regard to the Edgware Road frontage, this will inform the consideration of future options. The consultation feedback noted a commitment to consider all options for the Edgware Road frontage.

All feedback regarding buildings of historical and architectural merit feedback were noted and will inform the future design considerations. As a custodian of extensive listed buildings and Conservation areas across the borough, the Council is highly experienced in dealing with development in sensitive areas. It is therefore confident that sensitive design solutions will be achieved.

- Q7.** The Regeneration Base at 99 Church needs to be reconsidered if it is to be capable of co-ordinating the roll-out of the Masterplan. It has not been able to establish its credibility with residents, traders, retailers or other stakeholders and seems understaffed and timid. Even committee papers for the Futures Steering Group stretch its capability.

Response:

The effectiveness and output of the Regeneration base is considered by Officers to have the resources, support and expertise required.

The Church Street Masterplan Consultation noted the high levels of resident and Business engagement undertaken by the Consultation Team based in 99 Church Street. Feedback has been taken on board regarding FSG papers and is being implemented with the FSG Chair.

The Church Street Masterplan consultation process and output were presented to the Policy & Scrutiny committee on the 6th November 2017. In the published minutes, the committee commended the wide range of consultation approaches that had been used and concluded that the consultation process had been well thought out and implemented.

- Q8.** Regrettably co-ordination between Ward councillors and City Hall is non-existent. Regular meetings between leading officers and councillors and leading residents and stakeholders should be considered.

Response:

The Church Street Futures Group (CSFG) and its sub groups provide information, advice, scrutiny and influence around the delivery of the vision for Church Street. Membership includes residents (both tenants and leaseholders), businesses, and local organisations representing the voluntary and statutory sectors, along with Church Street Ward Councillors and the Cabinet Member for Housing. The CSFG and Operations, People and Places Working Groups meet on a bi-monthly basis. This is set out in the agreed CSFG Charter.

3.3 The options available to the Committees are:

Option A: Endorse the decision taken by Cabinet.

Option B: Refer the decision back to the Cabinet. They should then reconsider the decision having regard to the views of the Policy and Scrutiny Committee within 10 working days, amending the decision or not, adopting a final decision. This option will have financial implications noted in section 4.1.

3.4 Further information on the project is set out at Appendix B to this report. This is the full report considered by the Cabinet on 4 December and may assist with answering questions from the Committee.

4. Financial Implications

4.1 It is a condition of the £23.5m Greater London Authority Edgware Road Housing Zone funding that WCC are in Contract with the GLA by the 31st of January 2018.

4.2 The Financial Implications of the Church Street Cabinet Report are set out in Appendix B.

5. Legal and Constitutional Implications

5.1 The Legal Implications of the Church Street Cabinet Report are set out in Appendix B.

5.2 The Council's call in arrangements are set out in the constitution. These comply with the constitutional requirements. The options available to the committee are set out in Section 2 above. The third option set out in the constitution (referral to full Council) does not apply as the decision of the Cabinet is, in the view of the interim Chief Executive, in compliance with the Council's Budget and Policy Framework.

Background Papers: None

Appendices:

Appendix A

The notice of decision in accordance with the Council's Constitution for the report considered by the Cabinet (5.12.17)

<http://committees.westminster.gov.uk/ieDecisionDetails.aspx?ID=811>

Appendix B

The report considered by the Cabinet (4.12.17)

<http://committees.westminster.gov.uk/ieListDocuments.aspx?CId=130&MId=4199&Ver=4>