

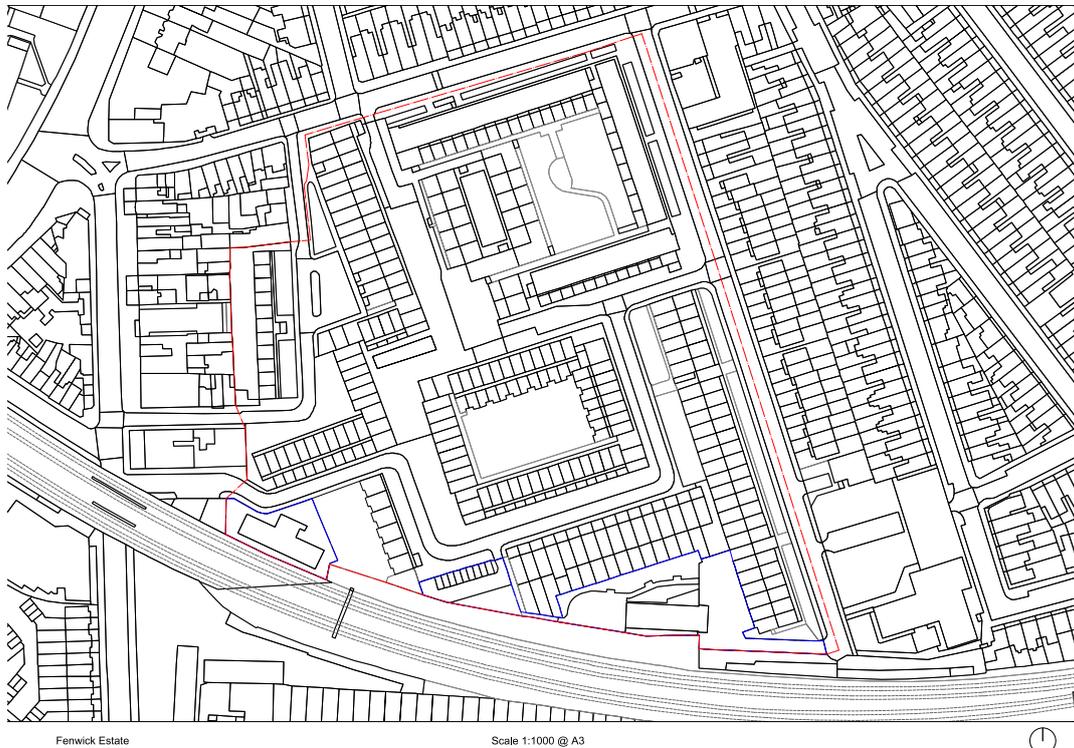
APPENDIX B – FENWICK ESTATE MORE DETAILED BACKGROUND AND CONSIDERATION OF OPTIONS

Introduction

- 1.1 This appendix provides more detail on the Fenwick Estate and explains the option analysis that has been undertaken to reach a recommended outcome for the future of the Fenwick Estate, considering the financial appraisals of different options and respective benefits of the alternative approaches to regeneration.
- 1.2 The conclusion is for a recommendation for full redevelopment of the Fenwick Estate, excluding the odd-numbered properties on Willington Road.
- 1.3 This option analysis draws on viability assessments and massing studies undertaken as part of the feasibility stage which included consultation with residents on a number of scenarios. Through the next stage of detailed masterplanning, the Council will work with residents to develop a final model for a rebuilt estate, which enables the Council to achieve new homes for council rent.

Background

Fenwick Estate Site Plan



- 1.4 Fenwick Estate is located in Larkhall Ward, it was built in the post-war period by the Local Authority as public housing. The Clapham North underground station is located nearby, to the West of the Estate. The Estate consists of residential blocks from the 1960's. The blocks are of similar character but vary in form and size. To the North of Fenwick Estate, on Landor Road, lies Victorian residential housing. On the other side of the railway line lies streets of 19th century terraced houses. Next to the terraced houses and the railway, on Bedford Road, two new large mixed used developments are being built by the private sector.
- 1.5 To the east of the Fenwick Estate is Willington Road, which consists of a row of 1980's 2-bedroom houses. Behind these houses is Tasman Road, which consists of Victorian residential housing. The 1980's houses on Willington Road identify as being separate to the rest of the estate both in terms of their typology (i.e. houses rather than flats) and that they have been managed as on street properties.
- 1.6 The 23 odd numbered properties on Willington Road were included in the feasibility study stage due to the potential to provide more and better homes. They are in the lowest density part of the estate, are largely owned by Lambeth and the residents of these houses have previously lobbied the Council about the poor quality of their accommodation, in particular in relation to kitchens, bathrooms and poor sound insulation.
- 1.7 The Fenwick Estate (including the 23 odd-numbered homes on Willington Road) consists of 431 homes, which comprise 280 Council's Tenants, 133 leaseholder and 18 Freeholders (Feb 2016 data). The odd-numbered properties on Willington Road consist of 23 1980's 2 bed houses of which 16 are council tenants and 7 are under freehold ownership.
- 1.8 The Fenwick Estate does not lie within a conservation area, however it sits between the Clapham Road Conservation Area to the North and the Ferndale Road Conservation Area to the South, on the other side of the railway track.
- 1.9 **Section 106 offsite development:** Recently the Council, in partnership with TfL and in consultation with the Fenwick TRA and residents across the estate, secured Planning permission for 55 new social rent homes and a replacement Fenwick Hall on three opportunity sites on Fenwick estate, along the railway line. The planning application (15/05297/FUL) was approved on 9th February 2016. This development has been designed by Karakusevic-Carson Architects and will be delivered by TfL in fulfilment of an offsite Section 106 Agreement from the Northern Line Extension at Vauxhall. Officers are in the process of drafting a development agreement with TfL. It is intended that these 55 new homes will be part of the Phase 1 development for the Fenwick estate regeneration programme and would be used for decanting existing tenants from the estate.
- 1.10 **Parking:** The existing car parking provision for the estate is a mixture of on-street parking, off-street parking and underground parking. There are concerns with residents about sharing their spaces with people outside of the estate who park to use Clapham North underground station or to visit local bars and restaurants, and it is considered that there is currently an under provision of car parking spaces.

However on further review the feasibility study highlighted that this under provision comes from the lack of defined spaces leading to inefficient parking rather than the quantity of spaces.

- 1.11 Currently the only adopted road on the estate is Cottage Grove, all other roads are estate owned. There are approximately 6 disabled parking spaces on the estate.

Estate Regeneration Programme

- 1.12 Fenwick Estate was included in the Council's estate regeneration programme in December 2014 because there is considerable potential for intensification and provision of additional new homes. Given its location and public transport accessibility levels, there is scope for a significant up-lift in the number of homes.
- 1.13 There is also potential for wider benefits such as improved housing stock (given the poor condition of some of the homes) and improvements in public realm and general urban condition of the area around the Estate.
- 1.14 The July 2015 Cabinet report provided an update and confirmed that consultation on the future of the wider estate regeneration of Fenwick Estate will commence in September 2015, which subsequently started in November 2015.

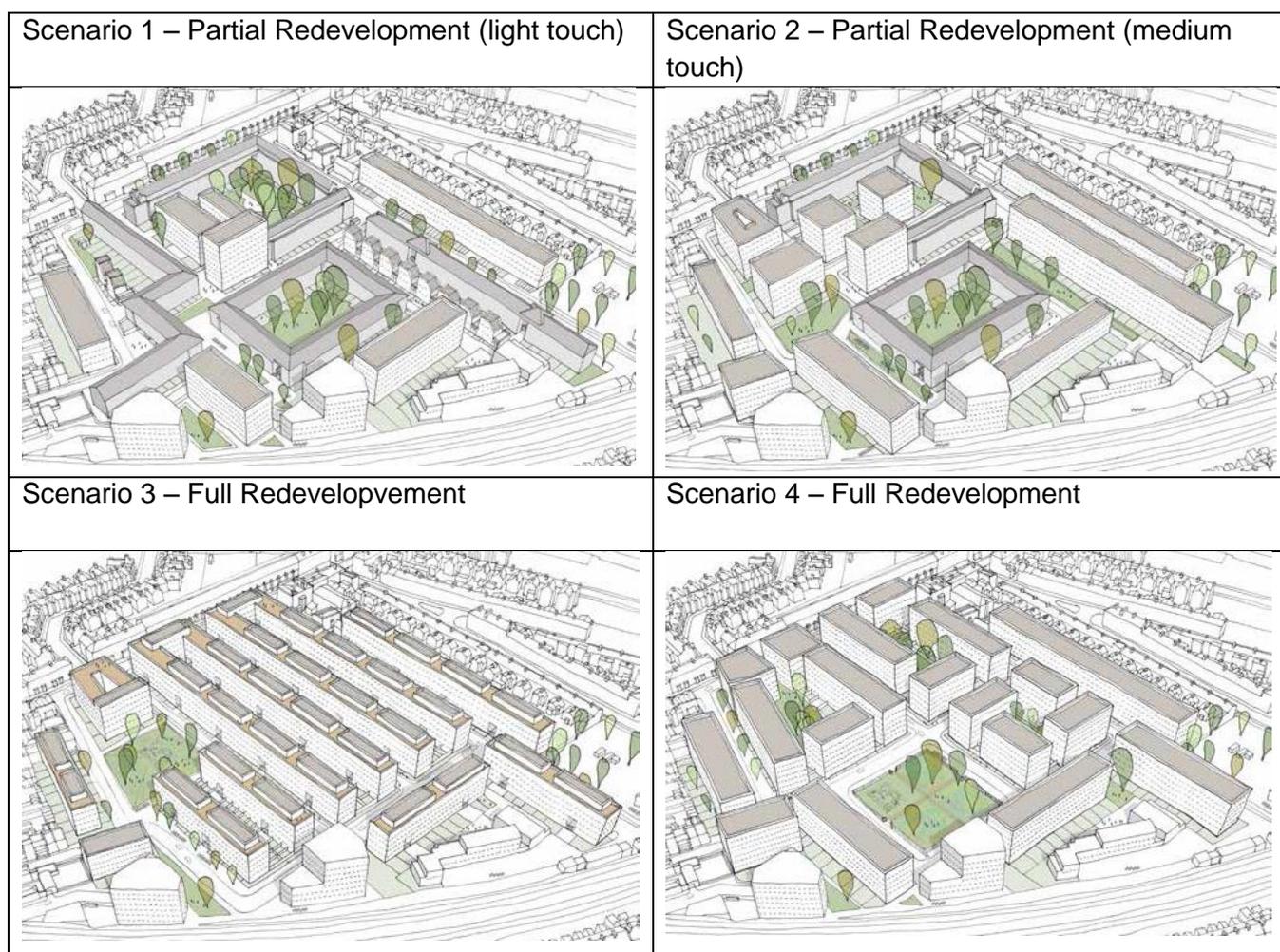
Feasibility Stage

- 1.15 Following the cabinet decision in July 2015 the Council appointed the Architects, Karakusevic Carson Architects (KCA) and the community engagement consultancy, Make:Good to undergo an extensive six months community engagement programme.
- 1.16 The brief was to work with the residents to undertake a Feasibility Study aimed at establishing a residents' brief to inform the future masterplanning of the estate. The process will both identify the potential to deliver more and better homes on the Fenwick Estate, alongside other benefits of regeneration through improving the current condition of the estate, such as higher quality and appropriately located open spaces, parking, improved streetscape and public realm.
- 1.17 The six months community engagement programme involved exploring different scenarios for the future of the Estate. This was done through an iterative process of collecting residents' views of the Estate, including what they liked and disliked about their neighbourhood, to develop conceptual design scenarios of how the Estate could be regenerated. The views and opinions on these scenarios were used to further refine the concepts and evolve the scenarios, which were again presented to residents to capture their views. The result of this process involved the development of a recommended scenario and establishment of resident brief, which will inform the next phase of the masterplanning process.
- 1.18 More detailed information on the community engagement process and design feasibility work is provided in Appendix C – Consultation Report.

- 1.19 It should be noted that the following reports have so far been undertaken to explore the regeneration of the Fenwick Estate:
- Stock condition surveys, which have sought to identify the state of the housing across the estate;
 - Design Studies (otherwise known as massing studies), which have explored various scenarios of regeneration and which confirm that additional new homes could be accommodated across the Estate;
 - Financial appraisals have been carried out to ascertain viability of different approaches to regeneration;
 - Extensive consultation and engagement with residents over 6 months;
 - Selection and appointment of an Independent Adviser to help residents of all tenures to understand the implications of the regeneration proposals and the Key Guarantees and supporting information that has been made by the Council; and
 - A Resident's Brief co-produced with residents and included as Appendix D, capturing key resident objectives regarding the regeneration of the Estate has been produced as a result of this support.

Design Scenarios

- 1.20 The regeneration scenarios, which Karakusevic Carson Architects developed through the engagement process, are not masterplans; they are initial massing studies, exploring the potential capacity of the Estate to accommodate new homes and used to facilitate discussions around the different elements that make up the Residents' Brief.
- 1.21 Four initial scenarios were explored, which can be summarised as a two **partial redevelopment** scenarios (a light touch scenario and a medium touch) and two **full redevelopment** scenarios. A high level costing plan was undertaken for each scenario, which informed the feasibility appraisals.
- 1.22 A recommended combined scenario was a further iteration of the four initial scenarios, and was a development of these following consultation including resident feedback and initial consideration of the proposals from officers in Lambeth Planning and Development.



- 1.23 Scenario 1 and 2 retain differing levels of existing buildings, replacing the lower density blocks in order to create more homes on the estate. Building heights vary from 3 to 8-storeys across the estate. Some people were pleased about their buildings being retained, however many others expressed concern about these options segregating the estate between old and new. There was also concern about the lack of opportunity to provide better security, routes through the estate, public or play space for everyone as improvements would be for new buildings only
- 1.24 Scenario 3 responds to many residents saying that maximising the number of private gardens was a priority. Building heights are 6-storeys across the estate. The top floor is set back. The design is based on the concept of Victorian terraced streets. Many of the residents liked the private gardens and use of roof terraces. There was positive feedback about the change in road layout. But others were concerned about it feeling crowded, and potentially changing the sense of community on the estate.
- 1.25 Scenario 4 creates several courtyards and a large square.’ People liked the open feel of this scenario and that it would create lighter properties with views over green space for many. There was also positive feedback on the creation of more communal spaces. There was some concern about height of buildings. Overall feedback stated that 3 & 4 achieved more of the priorities set out in the draft residents brief. Many residents asked about exploring a combination of Scenarios 3 & 4.

- 1.26 Other residents surrounding the estate, specifically on Tasman Road, have questioned the inclusion of the odd numbered Wellington Road Houses, citing concerns over the height of buildings on Wellington Road, and the impact they would have on access to daylight and sunlight on the existing buildings.

Analysis of Regeneration Scenarios

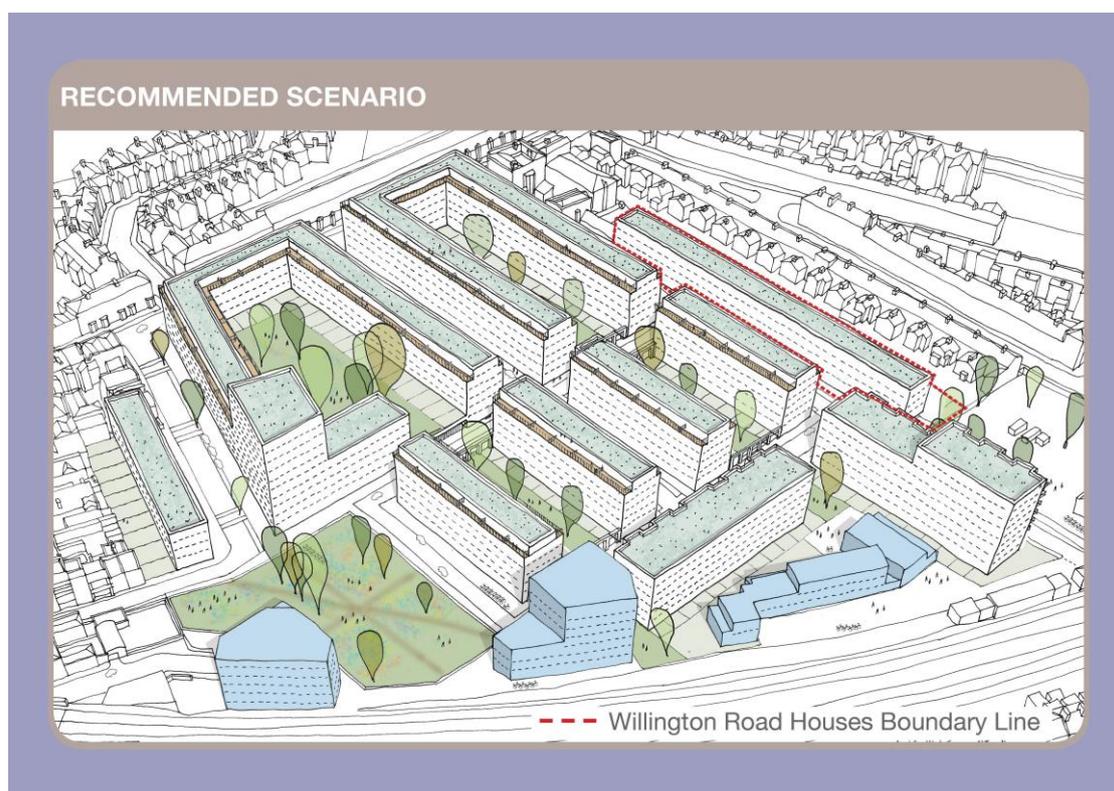
- 1.27 These studies have enabled an approximate estimate of the number of new homes that could be delivered through regeneration. The quantitative output from these scenarios is provided in Table 1.

Table 1

	No. of homes demolished	New Homes	Net Additional New Homes	No. of homes retained	Phase 1 (Opportunity Site development)	Total Homes in future estate
Scenario 1: - light Touch	101	205	104	330	55	590
Scenario 2: Medium Touch	225	448	223	206	55	709
Scenario 3: Full Redevelopment	431	660	229	0	55	715
Scenario 4: Full Redevelopment	431	732	301	0	55	787

Recommended (Combined) Scenario

- 1.28 A fifth scenario highlighted below evolved from the comments and feedback received from residents, and from initial comments from officers from Lambeth Planning and Development.
- 1.29 After reviewing all of the resident feedback and feedback from the planners and highways, the design team agreed to develop a combined scenario which would take elements of scenarios 3 and 4 and would address issues with planning, such as, unit mix, block heights and dual aspect units. It is a full redevelopment scenario, which is combination of Scenarios 3 & 4 and try to incorporate the feedback from residents and planners.



	No. of homes demolished	New Homes	Net Additional New Homes	No. of homes retained	Phase 1 (Opportunity Site development)	Total Homes in future estate
Recommended Combined Scenario	431	666	235	0	55	721
Recommended Combined Scenario (Excluding Willington Road Street properties)	408	630	222	23	55	685

Willington Road Study

- 1.11 In July 2015 Cabinet gave authority to continue with feasibility work toward confirming masterplan objectives for each estate considered in the report. The Fenwick Estate, including the odd-numbered properties on Willington Road, were included in the plan to which this approval applies.
- 1.12 These properties were included in the feasibility study because they are low density and there is the potential to increase the overall number of new homes on this part of the site, as well as it being suitable for the delivery of family housing.

- 1.13 During the latter stages of the feasibility consultation process there was a significant surge in the opposition to the inclusion of the Wellington Road houses from both residents of these homes as well as those from the surrounding streets, including Tasman Road, Andalus Road, and Hubert Grove, where some homes back onto the Wellington Road properties..
- 1.14 As a result of this, a commitment was made to ward members and residents to undertake further work looking at the condition of the existing buildings, the likely capacity of the site for redevelopment in planning terms as well as the viability of the scheme to inform a decision as to whether these properties should be included or excluded from the regeneration area.
- 1.15 Following a consideration of these issues, the odd-numbered properties were excluded from the proposed regeneration of the Fenwick Estate. This is primarily due to the existing condition of the stock and the lower level of investment needed for these homes in comparison to the rest of the Fenwick estate, the financial feasibility of redevelopment, and a consideration of resident views.

Financial feasibility Appraisal

- 1.16 The Financial Appraisal of Options is attached as Appendix E). As set out in the Financial Appraisal of Options, the Council has defined a series of delivery aspirations. In carrying out the viability assessment, various scenarios (in terms of tenure mix and number of new homes) have been considered in order to test the delivery aspirations.
- 1.17 On any given capacity study that identifies a potential number of homes to be built, the two key determinants of the viability for new estate regeneration projects are the mix of tenures within the new development and number of additional homes that can be accommodated on an estate (in particular the proportion of additional homes versus replacement homes).
- 1.18 The various scenarios of the financial feasibility appraisals are done so at a range of densities, which recognise those of the full redevelopment scenarios as described in paragraphs 1.20-1.29 above, and increasing the density within London Plan guidance for this location (294-1092 units). This is to explore the financial feasibility of development at a range of densities, and the impact upon the tenure mix for each scenario.
- 1.19 Further design and planning, alongside financial feasibility testing, will be undertaken at the Masterplanning stage to identify an appropriate density which is policy compliant, has undergone consultation and gives regard to resident feedback, whilst meeting the Council's aspirations in terms of the objectives of the Estate Regeneration Programme.
- 1.20 In carrying out the viability analysis, the following assumptions have been made for all scenarios:
- all secure tenanted properties are replaced and re-provided at council rent levels;

- 80% of leasehold/freehold properties are replaced through an equity swap, the remainder of leasehold/freehold properties are bought back;
- 30% of capital cost of net gain affordable homes is funded by RTB receipt;
- a borrowing rate of 5.57%;

1.21 A number of options have been assessed, all assuming the full redevelopment of the Fenwick Estate (excluding the odd-numbered properties on Willington Road, and including the 55 'phase 1' homes). These can be seen in Appendix E.

1.22 As set out in paragraphs 1.6 and 1.7 of the main Cabinet report, the Council has identified objectives for the estate regeneration programme in considering the future of an estate. The over-riding objective is the question of whether redevelopment of an estate would deliver a net additional number of new homes for the Borough. After this, a series of tests have been set out as considered in the table below.

Table 3

Positive NPV essential	Redevelopment of the Fenwick estate can produce solutions that achieve a positive NPV.
Deliverability	In the design and financial work that has been done to-date, there is nothing to suggest the redevelopment could not be delivered.
Delivers the re-provision of existing homes in accordance with the Key Guarantees	All options enable re-provision of existing homes in line with the Key Guarantees.
Meets the Council planning policy and tenancy strategy on affordable housing for the net gain new homes	Only options providing a total build of close to or above 800 homes (including the 55 homes to be provided by TFL) provide an ability to deliver affordable housing targets. This would be further explored at the Masterplanning stage in consultation with residents and the Local Planning Authority.
Quantum of new homes provided – which option provides more	Complete redevelopment provides greatest scope to deliver more new homes. The London Plan suggests that the planning limit is in the region of 1,092 homes. This would be further explored at the Masterplanning stage in consultation with residents and the Local Planning Authority
Quantum of new homes for council rent – which option provides more	Options above 800 homes begin to meet the Council's minimum targets for additional affordable homes. This would be further explored at the Masterplanning stage in consultation with residents and the Local Planning Authority.
Tenure split between market and affordable homes – which option is best able to provide a 60% affordable/40% market split	This could be achieved, but would need to be explored through the masterplanning process.
Nature of market housing – preference for private rent	Options have been tested that achieve a positive NPV with market rent housing.

Pay-back period – preference for shorter pay-back periods	All options deliver pay back within 60 years. Which option produces a shorter pay-back period would have to be tested further during masterplanning.
Subsidy – which option requires the least subsidy to meet the above objectives	All options tested to-date only require the Council to allocate RTB receipts to the construction (30%) of net additional affordable homes.

Assessment of light/medium touch against full Redevelopment

1.23 As set out in the December 2014 Cabinet Paper, each of the scenarios are also assessed against a set of criteria (encompassing social, environmental and economic factors); these are:

1. Homes meet the Lambeth Housing Standard
2. Additional homes for Council rent are built
3. Quality of life for residents is improved
4. Residents influence over decision-making is increased
5. The scheme is financially viable for the Council

Table 4

Criteria	Partial Redevelopment	Full Redevelopment
1. Homes meet the Lambeth Housing Standard	The estate is in poor condition and would require major refurbishment in order to meet the LHS. Currently there is over £85m funding gap for LHS programme.	All new homes would meet and exceed the Lambeth Housing Standard.
2. Additional homes for council rent are built	A significant number of new homes for council rent would be built.	A significant number of new homes for council rent would be built – more than would be achieved under the Partial Redevelopment option.
3. Quality of life for residents is improved	<p>All residents would experience disruption in the short-term.</p> <p>Residents in retained properties may have to relocate during the refurbishment works. They may have to live poor quality home for longer as there is funding shortfall to carry out LHS work</p> <p>All residents would experience an improved quality of life in the long-term.</p> <p>This scenario would result in the loss of significant amounts of open space.</p>	<p>Demolition of existing estate will result in more residents experiencing disruption through decant, though this is relative and subject to the level of decanting required for the construction and refurbishment under partial redevelopment scenarios .</p> <p>The Estate could be significantly improved in urban design terms and in terms of provision of good quality open spaces and amenity.</p>

	This scenario would not solve issues such as the ill-defined layout of the estate, the poor permeability through the estate, and the undefined open spaces and public realm in an ill-defined street network which currently exists – see below for further consideration.	
4. Residents influence over decision-making is increased	All residents would be able to influence the masterplan for the whole new estate and be involved in the decision-making regarding the future of the Estate.	All residents would be able to influence the masterplan for the whole new estate and be involved in the decision-making regarding the future of the Estate.
5. Scheme is financially viable for the Council.	The Council is not able to borrow more money into its HRA and there is a funding shortfall to deliver the LHS programme. Any refurbishment would require the Council to re-direct funds from other works.	Options are financially viable

- 1.24 An influencing factor in determining the benefits of partial verses full redevelopment has been the quality of the residential neighbourhood that would arise as a consequence of regeneration. As noted in Appendix D – Design Report, urban design analysis of the existing estate suggests that the current layout of the estate, including pedestrian routes and unmanaged access to homes on upper floors, can feel unsafe and enclosed, and encourage anti-social behaviour. Vehicular movement through the estate for residents and non-residents is concentrated on one route, referred to as a ‘rat-run’ and considered as very busy with fast-moving traffic. There is also a lack of play space when compared to current standards. There is also a lack of cycle storage and bin storage is badly managed and often overflowing, leading to problems with smell and rat infestation.
- 1.25 To this end, the complete redevelopment scenario not only delivers more homes and provides certainty to provide both existing and future residents with good quality homes, especially new homes for council rent, but it also provides a desirable and high quality new residential neighbourhood.
- 1.26 The combination of these factors (the social, economic and environmental considerations, as well as the financial feasibility issues) leads to a recommendation to seek to redevelop the whole Fenwick Estate, excluding the odd-numbered properties on Willington Road.

