

	<p><b>Assets, Regeneration and Growth Committee</b></p> <p><b>12 December 2016</b></p>
<p style="text-align: center;"><b>Title</b></p>	<p style="text-align: center;"><b>UPPER &amp; LOWER FOSTERS</b></p>
<p style="text-align: center;"><b>Report of</b></p>	<p>Commissioning Director, Growth and Development</p>
<p style="text-align: center;"><b>Wards</b></p>	<p>Hendon</p>
<p style="text-align: center;"><b>Status</b></p>	<p>Public</p>
<p style="text-align: center;"><b>Urgent</b></p>	<p>Yes</p>
<p style="text-align: center;"><b>Key</b></p>	<p>Yes</p>
<p style="text-align: center;"><b>Enclosures</b></p>	<p>Appendix A – Upper &amp; Lower Fosters Estate Plan, Red Line Drawing</p>
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<p><b>Summary</b></p>
<p>Upper and Lower Fosters is a typical post-war council estate comprising high-rise tower blocks and low-rise apartment buildings (comprising 211 units) within large areas of grassed communal space. The estate presents the opportunity to create additional new housing and an improved streetscape, enhance the existing stock, and create associated community facilities through a best practice community co-design process, to benefit current and future residents, and the wider community.</p>

<p><b>Recommendations</b></p>
<p>1. That committee notes the initiation of this project and the community co-design concept.</p>
<p>2. That the committee notes the initial scheme development expenditure, up to full planning stage, to a maximum budget of £1.5 million subject to approval of funding by Policy and Resources Committee.</p>

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| <p><b>3. Subject to the approval of funding the committee authorises procurement, should provision through Re not be feasible, of the required multi-disciplinary professional team, including master planning and design services, to design a new residential scheme in collaboration with the resident community.</b></p> |
| <p><b>4. That committee agrees to delegate authority to the Commissioning Director Growth and Development to make appointments following the conclusion of the procurement exercise.</b></p>   |

## **1. WHY THIS REPORT IS NEEDED**

- 1.1 Upper and Lower Fosters estate is in Hendon Ward, and contains 211 existing homes. There are 57 units in two low rise terraced blocks (Foster Court and Cheshire House) including sheltered housing, 88 units in two high rise point blocks (Upper Fosters) and 66 units in 5 low rise point blocks (Lower Fosters). 60 of the units are leaseholders. A community hall (Cheshire Hall) is also located on the estate.
- 1.2 The estate sits immediately adjacent to Brent Street town centre which has a strong sense of local community and provides a range of shopping amenities and community/educational facilities. It is well served by public transport being close to Hendon Central Underground Station, as well as a network of frequent bus routes.
- 1.3 One of the key Council objectives is to encourage responsible growth and regeneration activity across the borough including schemes that support key town centres.
- 1.4 The Local Plan, in particular, seeks to consolidate growth within Barnet's existing built environment around the most accessible locations, such as town centres and areas in need of renewal and investment. In the London Plan, the Mayor has highlighted London's town centres as a strategic focus for new development and for intensification, including residential uses.
- 1.5 Barnet's Local Plan also emphasises that new homes in and around town centres can help contribute to vitality and viability by increasing trade for business and enhancing levels of natural surveillance and activity. Town centre homes also offer their occupiers ready access to services, goods, facilities and public transport; thereby reducing the need to travel by car.
- 1.6 This estate provides an exciting opportunity in a town centre setting to provide new high quality infill development, and deliver significant local environmental improvements. We propose to adopt a community co-design approach, in which we work with residents to understand what is important to them about the existing estate and what they would like to see in a future development. This approach demonstrates best practice in estate regeneration approaches and maximise social value from the development process. It can provide transferable lessons for future projects initiated by LBB.

- 1.7 The intention is to increase the provision of good quality housing on this site by releasing value through private-for-sale units to cross subsidise the provision of affordable housing (including Extra Care housing), and shared ownership homes. This will help meet, in particular, the high demand for affordable accommodation.
- 1.8 Barnet Homes and Re will to work together to deliver the master plan in collaboration with the local community. It is anticipated that additional affordable units will be owned and managed by Opendoor Homes (a subsidiary of the Barnet Group).
- 1.9 The first stage of the project is to procure a suitably experienced design team who will work with residents on the masterplanning process. This team will be led by an architect/urban design practice with demonstrated experience and skills in community involvement within regeneration and master planning projects. This report seeks approval to commence this procurement exercise.

## **2. REASONS FOR RECOMMENDATIONS**

- 2.1 Barnet has the largest population of any London borough with 393,000 residents. This figure is expected to grow by 76,000 over the next 25 years; an increase of 19%. With a third of the borough designated green belt, Barnet Council has to be innovative in how more homes can be built in the borough whilst retaining the borough's distinctive outer London character.
- 2.2 Initially developed in the 1960s with a "land hungry" low density design typical of the time, the Upper and Lower Fosters estate contains 211 existing homes set within a 3.06 hectare site; managed by Barnet Homes.
- 2.3 As detailed in the Housing Strategy (2015-2025), and in response to the need for more housing in Barnet and in London as a whole, Barnet Council has committed to increasing the supply of housing in the borough, particularly affordable whilst maximising the Council's land resources. With this in mind a Development Pipeline Programme was established identifying Barnet owned sites that could provide locations for housing development schemes. The programme directly supports the Corporate Plan objective of responsible growth and regeneration.
- 2.4 On 9th July 2014 the Assets, Regeneration and Growth Committee approved the approach to, and the principles underpinning, the creation of a Development Pipeline, and that an initial list of potential development options and projects be tabled at the September Committee.
- 2.5 The initial sites identified were:

**Tranche 0** – Council funded new build housing for social rent.

**Tranche 1** – Surplus Council land identified for disposal and housing redevelopment.

**Tranche 2** – A range of projects that are targeted to meet specific policy objectives.

2.6 In December 2014 an initial options analysis and capacity study was undertaken for Upper & Lower Fosters which considered all available options in outline:

1. Infill
2. Renewal of some existing buildings
3. Estate regeneration

This initial study established that the site would support a viable level of additional homes through infill development with options to be considered for the replacement of sheltered accommodation with modern extra care homes.

2.7 The community co-design process proposed for this project will support our commitment to responsible growth and regeneration through the full involvement of the local community in the development of the scheme from the beginning.

2.8 Co-design means involving the local community in defining what will be built, where, and for whom. Consequently, residents' needs are actively addressed, and thereby, residents' issues and uncertainty is addressed. Better community engagement will also de-risk the delivery of the project, particularly through the planning stage, by designing a scheme that is respectful of residents' requirements.

2.9 It is anticipated that the masterplan will be taken through to full planning stage.

2.10 The total estimated budget is c£1.5 million up to the planning consent. This estimate will be refined following procurement of the necessary suppliers.

2.11 DCLG funding is being sought for project initiation. A funding bid has been submitted and a determination is currently awaited. The proposed community engagement-led approach has been well received. This proposal seeks to maintain momentum for the scheme, subject to a favourable funding outcome.

2.12 The intention is to procure a masterplanning team with experience and skills in working with local communities to develop an appropriately designed scheme. The procurement of the consultants will be in accordance with LBB contract procedural rules.

### 2.13 **Key Benefits**

2.13.1 The current ambition is to develop an appropriate and viable number of new mixed-tenure homes on the estate, with the exact number to be developed through the community co-design process. Initial viability studies suggest the scheme could provide around 100-150 additional mixed tenure units, including private-for-sale (potentially including Starter Homes); sub-

market/affordable rent; shared ownership homes; and extra care housing to replace the existing sheltered housing). The scheme is likely to also reprovide the existing community hall.

2.13.2 Residents will benefit from a wide range of improvements across the estate. The exact improvements will be determined by the community co-design process but could include, for example:

- A comprehensive landscaping plan including new, well managed, amenity and play spaces
- A safer environment with well-lit streets/public realm, secure gardens and play spaces, as well as appropriate surveillance measures e.g. to new bike stores
- An improved community offer (leisure/community mix to be determined through the community co-design process)
- Potential improvements to external façades and building cores as part of a co-ordinated response to the improve character of the existing buildings
- Consideration of movement from high-rise flat to new low-rise accommodation for tenants, should this be more appropriate to housing needs
- Improved pedestrian and cycling access making the area a more attractive and successful place to live, work and visit.
- Social value though local employment initiatives arising from the build contracts etc.

2.13.3 Residents and the wider community will benefit from involvement with the design and development process through gaining skills and experience and better social ties and understanding between local community groups. A process that is delivered with integrity means residents will feel a greater sense of ownership, and may be further motivated to assist with other initiatives on the estate or in the wider area, as well as in their care and stewardship of their physical surroundings.

2.13.4 In developing a community co-design process, the Council can benefit through innovating and learning transferable lessons for other estates and development programmes.

2.13.5 The proposal encourages higher densities where appropriate, enabling the Council to make the most efficient use of land to deliver much needed homes, both private and affordable, and key benefits in line with the London Plan and Local Plan objectives.

- 2.13.6 The scheme will provide additional income to the Council through Council Tax and New Homes Bonus, as well as cost avoidance for homelessness by not using more expensive temporary accommodation.
- 2.13.7 In providing additional affordable housing, the Council will make savings in temporary accommodation. The savings will be modelled as part of the business case.
- 2.13.8 The project will better integrate the estate into the surrounding area, resolving physical problems of the estate in terms of its sense of isolation, with surrounding development “turning its back on the estate”.
- 2.13.9 Adding more homes in this location will make Brent Street town centre more viable.

### **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

- 3.1 Barnet Council is committed to building new homes and supporting infrastructure to meet the increasing demand for housing locally. All available sites are being considered and proposals are being compiled where viable; Upper and Lower Fosters is such a site. All viable sites are required so an alternative location for this proposal would not be relevant.
- 3.2 A conventional design and consultation process could be undertaken for this site; however this could lead to resident objections and conflicts, consequent programme and delivery risks, and a loss of the current good relationships between the estate residents and the wider community of the area.

### **4. POST DECISION IMPLEMENTATION**

#### **4.1 Pre-Construction Indicative Programme**

- **Initial Capacity Study:** Jan – Apr 2016 (complete)
- **Policy & Resources Committee authorisation:** Dec 2016
- **Procurement of required services including masterplanner:** December 2016- March 2017
- **Strategic Outline Case (SOC) and further report to ARG:** June 2017
- **Final Business Case and further report to ARG prior to proceeding with planning application (target):** December 2017
- **Planning application submission (target):** January 2018

**The award of any contract will be subject to securing funding.**

## **5. IMPLICATIONS OF DECISION**

### **5.1 Corporate Priorities and Performance**

5.1.1 The Corporate Plan 2015-2020 has a strategic objective to “promote responsible growth, development and success across the Borough”. It states that the Council working with local, regional and national partners, will strive to ensure that Barnet is a place of opportunity, where people can further their quality of life and where services are delivered efficiently to get value for money for the taxpayer. The proposed Barnet Development Pipeline project will help meet these objectives by providing good quality private and affordable lifetime homes, through a community co-design process that strengthens community relations and confidence in the Council.

5.1.2 The Growth Strategy for Barnet recognised that growth is vital for ensuring the future prosperity of the Borough, and maintain Barnet as a successful London suburb.

5.1.3 The Council’s Local Plan adopted in 2012, sets out a 15 year ‘vision’ to help shape the kind of place that Barnet will be in the future. It supports the delivery of new homes including affordable dwellings and the use of brownfield land for high quality and sustainable suburban development.

5.1.4 The Council’s Housing Strategy, agreed in 2015 has the overarching objective of providing housing choices that meet the needs and aspirations of Barnet residents and sets out how the Council will deal with a number of challenges including high prices, a shortage of affordable housing and the potential threats to the qualities that make the Borough attractive.

### **5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

5.2.1 The intention is for the project to be jointly delivered between Barnet Homes and Regional Enterprise Ltd (“Re”), the Council’s joint venture enterprise with Capita, which was established in October 2013. This is however subject to the finalisation of commissioning arrangements.

5.2.2 Barnet Council has already provided initial funding of £50,000 for an options study. This work has now been completed and funded by the Housing revenue account (HRA).

5.2.3 A budget of up to c£1.5 million is sought through DCLG, with a funding bid currently under consideration. A capital bid has also been submitted to the Council, for us in the event that funding from the DCLG cannot be secured. This bid is for HRA funded amounts of £0.6m in 16/17 and £0.9m in 17/18.

- 5.2.4 The procurement requirements to support this delivery which cannot be delivered through Re will be undertaken in accordance with Contract Procedure Rules, Appendix 1 Table A. Options for the procurement of the masterplanner will be considered to ensure best value and quality for the specific requirements of the project, in particular expertise in community co-design.
- 5.2.5 By undertaking the project in phases, risks are minimised and best value can be achieved.
- 5.2.6 From experience of progressing schemes of this nature an iterative approach to planning and viability appraisals is the most reliable, which will identify possible constraints and limitations early so they can be addressed in the master-planning stages, and de-risk delivery to ensure that the project maintains viability and is delivered on time.

### 5.3 **Social Value**

- 5.3.1 The procurement process and community involvement strategy for this project includes an assessment of social value as a key consideration. Tenderers will be required to demonstrate how they will work with the estate residents and local community to develop their proposals with the support of the project team, and the brief for the masterplan team will include the development of meanwhile projects, employment opportunities, and a detailed community strategy for the delivery phases of the project.

### 5.4 **Legal and Constitutional References**

- 5.4.1 Council Constitution, Responsibility for Functions, Annex A – The Assets, Regeneration and Growth Committee has responsibility for “Asset Management” – all matters relating to land and buildings owned, rented or proposed to be acquired or disposed of by the Council.
- 5.4.2 Section 2.8 of The Management of Assets, Property and Land Rules, contained in the Council’s constitution states that the “Strategic Asset Management Plan” will govern decisions on the future direction and development of the “Council’s Built Environment”.
- 5.4.3 Council Constitution, The Management of Asset, Property and Land Rules, Appendix 2, Table B sets out the acceptance thresholds which provides authority for the action. Financial arrangements in excess of £100,000 must be approved by Assets, Regeneration and Growth Committee.
- 5.4.4 Following the options appraisal process the intention is to retain the existing dwellings as far as possible but optimise the use of the currently underused land to develop up to 200 additional units. Initial option studies suggest that decanting will be limited to the low-rise sheltered accommodation to the northern end of the site, and there is no requirement for the use of compulsory purchase powers (CPO).
- 5.4.5 Where tenants are being decanted the implementation of Grounds 10A will be required.



5.4.6 Given the close proximity of proposed construction to occupied residential property, management of construction will be important, and compliance with Barnet council Environmental Health policies will need to be closely monitoring.

## 5.5 Risk Management

5.5.1 The initial feasibility costs for any property development is at risk by definition however by undertaking the master-planning process a large amount of uncertainty is removed from the project before a decision to proceed with a full design is made. The work is split into 3 phases with viability gateways after each phase, this will de-risk the project and provide greater cost certainty at an early stage.

5.5.2 Should DCLG funding not be secured

5.5.3 The project will be carefully managed ensuring that viability is maintained. We will put project controls in place to ensure that ongoing viability is regularly verified based on current market data. Gateway reviews will be held at the completion of each work stage, and the viability model will be analysed and robustly challenged by an independent panel of experts. Concurrent engineering techniques (parallel processing of non-critical activities) will be employed whenever possible to add pace to the project and reduce the overall programme whenever possible.

An integrated partnership approach will be taken with regards to engagement and consultation with local residents. The intention is to develop a scheme which is supported by the local community and thereby minimise local objections. This will help to speed up the planning process and delivery.

## 5.6 Equalities and Diversity

5.6.1 Under the Equality Act 2010, the Council must have due regard to the need to: a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; b) advance equality of opportunity between those with a protected characteristic and those without; c) promote good relations between those with a protected characteristic and those without. The 'protected characteristics' referred to are; age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation. It also covers marriage and civil partnership with regards to eliminating discrimination.

5.6.2 The Council is committed to improving the quality of life for all, and wider participation in the economic, educational, cultural, social, and community life in the Borough.

5.6.3 The development at Upper and Lower Fosters will make a significant contribution to the provision of additional high quality intermediate housing in the Borough to assist first time buyers, many of whom are currently priced out of the market. In addition, much needed affordable rented housing will also be provided, as well as promotion of further construction jobs in the borough.

5.6.4 At this stage, the proposal does not raise any issues under the Council's Equalities Policy and does not have a bearing on the Council's ability to demonstrate that it has paid due regard to equalities as required by the legislation. No immediate equality impacts are anticipated as a result of this proposal, however a full EIA will be considered in due course.

The site is situated in an area with a strong Jewish community presence and the creation of a community forum is proposed. This will enable appropriate community ambassadors to be nominated, appointed and also supported in their position with suitable training. Once trained, the expectation is that community ambassadors act with professionalism and are remunerated for their time. This is good for the project in terms of building trust and respect with residents, de-risking the programme and providing an opportunity for local people to develop new, transferrable skills.

## 5.7 Consultation and Engagement

5.7.1 Barnet Council has a resident engagement strategy which encourages residents to own the improvement proposals from design through to post-delivery. There will be no pre-determined decision making, and we will not be 'imposing' solutions.

5.7.2 Re and Barnet Homes understand that to simply 'consult' with communities experiencing regeneration is inadequate. There must be genuine, meaningful involvement that secures relationships built on trust and clear communication channels that can address issues as they arise and mitigate potential 'flashpoints'. A co-design process is proposed for this project, led by a community engagement specialist, and community involvement will be integrated into every stage of the project development, including the procurement of the design team. A stakeholder engagement plan will be developed which will be approved and monitored by the project and programme board.

5.7.3 The site is situated in an area with a strong Jewish community presence as part of a wide mix of religious and ethnic groups. The wider community will be involved with the project through representation in the co-design process as well as through information sharing and wider consultation. Community representatives within the co-design process will undergo training and capacity building exercises to ensure they are able to contribute to the fullest possible extent. This is good for the project in terms of building trust and respect with residents, de-risking the programme and providing an opportunity for local people to develop new, transferrable skills.

5.7.4 Ward Member engagement will be critical as well as involvement of the Leader, Deputy Leader and Chair of the Housing Committee to address issues arising from broader concerns for the local community.

- 5.7.5 A range of engagement techniques will be employed including a core group of highly engaged residents and community members who represent the community within the design process, open meetings, 'surgeries', newsletters, surveys, home visits, and a well-managed web-site for regular updates.
- 5.7.6 Community engagement will need to be sensitively managed. Lessons learnt from other regeneration projects will be used to provide the best form of engagement to ensure:
- Stakeholder buy in
  - The right flow of information
  - A good understanding of the process
  - All residents feel that they can engage and contribute in the process
  - The needs of residents are understood and can be met
  - Expectations are managed
- 5.7.7 Detailed engagement and planning will be required on matters such as parking provision; traffic impact assessment and additional pressure on local social infrastructure e.g. school places.
- 5.7.8 The Council and its partners, have an excellent track record of community engagement through estate renewal scheme. It has just completed a comprehensive programme of engagement on a new master plan and supplement planning document for the second phase of the Grahame Park development in Colindale. With our development partners, we have delivered decant programmes, refurbishment investment and land acquisition on the West Hendon, Dollis Valley, Stonegrove and Granville Road estates. In total these development affect in excess of 10,000 households and the Council has, to date, delivered over 3,000 new dwellings. Planned obligations across regeneration sites in Barnet will offer over 300 apprentice obligations throughout their oncoming construction periods.

## 5.8 **Insight**

- 5.8.1 No specific insight data has been used in this report.

## 6. **BACKGROUND PAPERS**

Appendix A – Upper & Lower Fosters Estate Plan, Red Line Drawing

