



Report for:
ACTION

Item Number:

21

Contains Confidential or Exempt Information	No
Title	Housing Regeneration Peterhead Court (Golf Links Estate)
Responsible Officer(s)	Pat Hayes Executive Director Regeneration & Housing, hayesp@ealing.gov.uk
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Portfolio(s)	Councillor Jasbir Anand – Housing
For Consideration By	Cabinet
Date to be Considered	15 th September 2015
Implementation Date if Not Called In	28 th September 2015
Affected Wards	Dormers Wells
Keywords/Index	Regeneration Golf Links Estate, Peterhead Court, Portrush & Alnmouth

Purpose of Report:

To seek Cabinet authority to go out to tender for a Council new build scheme at Peterhead Court for housing and new community centre, and to advise Cabinet of a proposal to draw up a detailed scheme for the next phase of Golf Links Estate regeneration for the redevelopment of Portrush and Alnmouth Courts

1.0 Recommendations

That Cabinet :

- 1.1 Authorises the Executive Director of Regeneration and Housing to invite and evaluate tenders either through a full EU tender exercise or via an EU compliant framework available to the Council or a combination of both for the redevelopment of land at Peterhead Court (shown in appendix 1) for a phased development of 68 homes and new community centre
- 1.2 Notes that the Executive Director of Regeneration and Housing is proposing to commission detail plans for the redevelopment of Portrush

and Alnmouth Courts as the next phase of the regeneration of the Golf Links Estate

2.0 Background to Current Report and actions being proposed

- 2.1 On 22nd July 2014 Cabinet approved plans to redevelop 20 units at Peterhead Court on the Golf Links Estate to provide approximately 67 new homes and community facilities. The approval included the drawing up of a detailed planning application; awarding decant status to residents of Peterhead Court in the new Council's scheme in Dormers Rise; commencement of the procurement process; and consideration of further phases of development to be reported back to Cabinet
- 2.2 Golf Links was identified as one of the 8 “high intervention” estates previously identified in the Council's housing regeneration strategy where the Decent Homes works alone would not provide the transformational effect that the areas demanded and therefore required a higher level of intervention
- 2.3 Following the decisions of Cabinet the scheme has progressed and consultant architects and others appointed to take the scheme to full planning on 26th August 2015, to provide 68 new homes 58 (85%) affordable and new community centre. This scheme was the subject of public consultation and exhibition
- 2.5 The feasibility for the redevelopment of Peterhead Court also included the Emmanuel Church occupying adjacent land leased from the Council until 31st March 2033. However, to avoid the development being frustrated by a failure to agree terms for inclusion of a new church in the scheme Cabinet were advised that a detailed planning application would only be submitted including the church if detailed terms with the church were agreed. Despite the expenditure of £0.01m on instructions to architects to designing a suitable church and a series of meetings held between the church and Council's appointed architects and Council Project Manager no agreed scheme emerged and the church has declined to make any contribution towards the cost of a new building, even though the cost of a new building has been estimated in the region of £0.660m. Having been advised by the Head of Planning that a new church was not required as a planning requirement on 11th May 2015, the church was advised that in the absence of agreement the Council intended to proceed to detailed planning without a new church but leave the opportunity for its inclusion in a later phase of development. A planning application was made on 19th June 2015 and consent granted on 26th August 2015
- 2.6 The consented scheme includes 68 homes; 40 for affordable rent; 18 as shared ownership; and 10 flats for private rent or sale to be managed by Broadway Living. In addition the scheme also includes a new community centre of 388m² with expanded crèche and other facilities for local residents

2.7 The approved scheme has been costed as financially viable and it is proposed to tender the project on a phased basis (phase 1 being a new community centre with housing above, phase 2 the remainder of the scheme) by using an agreed construction framework with a proposed start on site of spring 2016

Portrush & Alnmouth Blocks

2.8 Cabinet was advised in the July 2015 report that following the new development at Peterhead Court the intention was to look at the feasibility of redeveloping Portrush and Alnmouth Courts. These 84 x 2/3 bed maisonettes were constructed in the 1960s using the same Jespersen panel system as Peterhead Court and the earlier blocks of Cromer, St David's and Lytham, demolished to make way for the current Council scheme in Dormers Rise shortly due for completion

2.9 The characteristics of these blocks are

- Above average cost of repairs
- Poor block designs adversely affecting people's security
- Anti-social behavior in part a consequence of the poor design of the older Golf Links stock
- A lack of an appropriate range of units including larger family and wheelchair units when compared to need across the Borough
- Individual dwellings with no private amenity space and non-compliance with current London Plan standards

2.10 Levitt Bernstein architects were commissioned to look at a phased redevelopment of these blocks to link the new development at Dormers Rise with Peterhead. They propose a range of accommodation totaling 92 units constructed to London Plan standards. The project will be phased to allow internal decanting of residents

2.11 Under the authority delegated to The Executive Director of Regeneration and Housing will be commissioning a detailed phasing plan for Portrush and Alnmouth based upon:

Phase 1 Portrush (south linking onto new Dormers Rise block)	39
homes (current estimate £9.400m)	
Phase 2 Portrush (north)	31
homes (current estimate £7.200m)	
Phase 3 Alnmouth	22
Homes (current estimate £4.700m)	
Total homes	92

2.12 The estimated scheme cost of redeveloping Portrush and Alnmouth (on current costs is £21.300m. The commitment to this further project will depend upon sufficient resources being available from the housing capital programme

Key Implications

3.0 Financial Considerations for Peterhead Court

- 3.1 The current scheme estimate provided by Baily Garner is £17m, to which 10% fees have been added given a revised estimate of £18.700m
- 3.2 The scheme is in the Council's approved housing capital programme and the Council has also been able to obtain additional borrowing of £10.661m through the Local Growth Fund, and this can be augmented by £2.379m S106 money to assist the funding of the project. A contribution towards a new larger crèche which will move from the temporary community centre to be part of the permanent development may also be available
- 3.3 Eighteen homes are identified for shared ownership (part rent/part buy) and a further ten homes are proposed for either private rent (through Broadway Living) or outright sale. Sales proceeds will cover development costs of these homes and create a surplus to assist in funding the affordable housing. Sales values are based upon current sales for Golf Links
- 3.4 There is a cabinet approval of £0.838m for the estimated costs of taking Peterhead to full planning and invitation of tenders. This is being funded from HRA resources
- 3.5 As part of the Council's continuous market engagement with the GLA an application will be made for grant funding which would equate to 15% of eligible construction costs (less the cost of the community centre and private sales). This works out to £1.560m. Given the scheme now has planning consent and is therefore considered "deliverable" in GLA terms, it is likely that grant funding will be forthcoming. As a back-up if there was no grant there is sufficient S106 money available to be spent in this area to cover the shortfall
- 3.6 Table 1 below shows a summary of sources of housing income (excluding possible grant) for Peterhead. Rent income would be received from both the affordable and shared ownership (2.75% on retained equity equivalent to £82,500 per annum). In addition to income from the community centre (currently £13,000 pa) and additional income from the expanded crèche would go towards the cost of this element

Table 1

Funding Source	
Local Growth Fund	£10.661m
S106	£2.379m
Grant	£1.560m
Private Sales	£2.480m
Shared Ownership selling 35% initially	£1.620m
Total	£18.700m

4.0 Legal Implications

- 4.1 The contract for the building works described in this report will be let in accordance with the Council's Contract Procedure Rules and the Public Contract Regulations 2015 as applicable.

5.0 Value for Money

- 5.1 The redevelopment of Peterhead Court and community centre which has occupied a temporary building for many years utilises an underused site to provide a net housing gain of 48 homes (20 demolished to be replaced by 68 new homes) and a new and extended community centre in an area of acute housing need. The project will be tendered using an approved contractor framework to ensure value for money in terms of build costs

6.0 Sustainability

- 6.1 The new scheme will be constructed to London Plan standards and meet Lifetime Homes, and Secure by Design. Where feasible measures will be included to address fuel poverty by making buildings highly insulated to reduce heating costs

7.0 Risk Management

- 7.1 A risk matrix will be prepared identifying risks and their mitigation at each stage of the project. If the framework allows the project will be managed under a "Design & Build Contract" to transfer development risk to the contractor, and all detailed investigations and design details will be undertaken prior to contract being let to minimise construction risk and cost overruns.

8.0 Links to the 6 Priorities for the Borough

8.1 Safer

The newly designed development comprises high quality homes designed to improve community safety overlooking a communal garden which will be secured out of hours.. The Council is committed to working with the Police to ensure developments are "secure by design"

8.2 Healthier

The further regeneration of Golf Links will improve public health through better design of housing and the alleviation of overcrowding. Provision has been made for residents with disabilities and the provision of wheelchair accessible housing. Dormers Wells ward in which the scheme is situated is within the top 5% most deprived areas in the UK

8.3 Cleaner

The incorporation of good design will ensure that hidden and isolated areas will be less likely to suffer from fly-tipping

8.4 Fairer

The allocation of new housing will include existing residents who have lived in poor and overcrowded housing

8.5 Accessible

Redevelopment of new homes to London Plan standards improves accessibility in the home and appropriate levels of parking outside especially for those with disabilities assists accessibility outside the home

8.6 Prosperous

There is an opportunity for resident involvement in a local labour initiative as part of this project to provide employment opportunities. Expansion of the community centre crèche will allow more carers to enter employment

9.0 Equalities, Human Rights and Community Cohesion

9.1. The allocation of some of the new homes to existing residents, and the building of an extended community centre and crèche used by residents will help to build and retain community cohesion

10.0 Staffing/Workforce and Accommodation implications:

16.1 The project can be accommodated within the existing workload of Housing Supply and Regeneration & Housing. There are no additional accommodation needs

11.0 Property and Assets

11.1 The freehold ownership of Peterhead Court development will remain in the control of the Council and includes a new Council-owned community centre. In order to secure uninterrupted use of the community centre during development it is intended to construct the replacement in the first phase adjacent to the "Greenway". The users will then vacate the existing centre which will be redeveloped as part of the second phase of works

12.0 Any other implications:

12.1 None foreseen.

13. Appendices

- Appendix 1 – Plan showing the proposed development site of Peterhead Court

14.0 Background Information

- Vol 2: High Level Intervention Estates – prepared by EDAW/Aecom for Ealing Council February 2008 (Golf Links Estate)
- Cabinet Report 22nd July 2014 Peterhead Court (Golf Links Phase 2 Regeneration)

Consultation

Name of consultee	Department	Date sent to consultee	Date response received from consultee	Comments appear in report para:
Internal				
Pat Hayes	Executive Director Housing and Regeneration			
Jackie Adams	Head of Legal (Property and Regulatory)		20/8/15	
Donna Creffield	Legal Contracts		27/8/15	
Maria Cristofi	Director of Finance			
Georgina Thomas			27/8/15	
Ian Cristopher	Procurement			
Councillor Anand	Jasbir Cabinet Member for Housing			

Report History

Decision type:	Urgency item?
Key – yes	No
Authorised by Cabinet member:	Date report drafted:
Report deadline:	Date report sent:

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2nd September 2015