

Cheltenham Borough Council

Social and Community Overview and Scrutiny Committee 30th November, 2006

St Paul's Estate Regeneration - Neighbourhood Renewal Assessment results and recommended options

Report of the Assistant Director Built Environment

1. Executive Summary and recommendation

1.1 The issue

1.2 The Council's housing managing agent Cheltenham Borough Homes reported concerns about the sustainability of the St Paul's estate area and in particular, the difficulties they were experiencing with letting properties on the estate, the level of investment needed for homes to meet the decency standard and other identified social and environmental issues.

1.3 PPS Ltd is an experienced consultancy firm employed by the Council to undertake a process known as Neighbourhood Renewal Assessment. This involved a physical survey of all properties in the area (including those in private ownership) and a survey of resident and stakeholder views. The final report has now been produced and gives recommendations for the future of each of four sub areas within the St Paul's estate (as shown on the map attached to this report) that were used both to facilitate the consultation process with residents and other stakeholders and to allow options to be considered that are specific to the issues identified in particular parts of the estate. This approach has adhered closely to guidance set out by the government.

1.4 Why has this come to scrutiny?

1.5 The Leader of the Council has requested that scrutiny engage in a detailed examination of the consultants proposals before Cabinet makes its final decisions on 12th December. Following discussion with the Chair and Vice Chair, it was agreed that it is important for the proposals to be given a full public airing. It will also give residents and stakeholders in St Paul's the opportunity to make comments through the scrutiny system on the proposals. A full report of all comments raised at the meeting will then be circulated to Cabinet prior to the 12th December Cabinet meeting.

1.6 I therefore recommend that Committee:

1.6.1 reviews the contents and recommendations of the report produced by PPS Ltd;

1.6.2 notes the actions proposed within the report to address the concerns of residents as identified through the extensive consultation process;

1.6.3 provides any feedback that it would wish to see considered by Cabinet as part of the decision-making and implementation planning processes.

1.7 Summary of implications (note to author - cross reference to body of report where applicable)

1.7.1 Financial

None arising directly from this report – there will however be significant financial implications in implementing the recommended options and this is likely to necessitate funding for both works and staffing resources in addition to that currently programmed.

1.7.2 Legal

More detailed legal implications will be included on the specific recommendations which will in due course be set out in the Cabinet report. However, we wish to draw Committee's attention to the following;

Privately owned dwellings

If the council cannot agree to purchase those privately owned dwellings recommended by the consultant to be demolished, it will need to instigate compulsory purchase procedures and adhere to the due legal process. The process could take about 2 years to complete.

For those private dwellings which require decent homes standards works internally and/or externally, the council has a Health and Safety Grant which could be made available if the owner is eligible under the council's policy.

That grant will not be available for 'transformational' improvements and there is no obligation on the owners to carry out these works. If the council wishes the works to be undertaken, it will need the consent of the owners to do the works at the council's own expense.

Council owned dwellings

Once the council has firmly decided which of its dwellings are to be demolished, Initial Demolition Notices and Final Demolition Notices should be served on its secure tenants in accordance with the provisions and requirements of Schedule 5 and 5A of the Housing Act 1985 as amended. Once an Initial Demolition Notice is served, the council does not have to accept a tenant's application to purchase the dwelling under the right to buy scheme

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1.7.3 Human Resources None arising directly from this report.

1.8 Implications on corporate and community plan priorities

1.8.1 The Priorities Assessment Tool was used to assess the significant extent to which the regeneration of the St Paul's estate will contribute to both community and corporate plan priorities.

1.8.2 **Corporate priority 1** – we will work towards a balanced and sustainable housing market – the proposed regeneration scheme will replace parts of the area which comprise predominantly social housing currently, giving the opportunity both to provide a wider choice of housing types and tenures to meet the identified needs of the community.

1.8.3 **Corporate priority 2** – we will reduce crime and disorder and the fear of crime in our communities – this project will greatly enhance the feeling of security in this part of St Paul's and reduce opportunities for crime and anti-social behaviour. The refurbishment and redevelopment aspects of the scheme will follow 'Secure by Design' principles and will be the subject of consultation with the Police Architectural Liaison Officer. Any physical changes to the area are only one aspect of the regeneration process and need to be complemented by on-going support for and involvement of the community.

1.8.4 **Corporate priority 3** – we will protect and improve the environment of Cheltenham - the project offers the opportunity of enhancing the local environment in a number of ways, for example by improving street layout in the Manser and Hudson Street area by creating cul-de-sacs in place of the existing long terraces. The improvement programme will also look to improve the environmental quality of the area and offers the opportunity of providing more sustainable housing, for example by including high standards of energy efficiency and the incorporation of renewable energy technologies.

1.8.5 **Corporate priority 4** – we will reduce reliance on the private car and increase the proportion of trips made by public transport, cycling and walking - opportunities for walking and cycling through the area could be improved as a result of the regeneration programme.

1.8.6 **Corporate priority 5** – we will redress the imbalances in our communities and build strong healthy geographical communities and communities of interest – the project needs to be a co-ordinated approach to tackle the social, economic and physical regeneration of the identified area of St Paul's.

1.9 Statement on Risk (note to report author - refer to Corporate Risk Register or Service Risk Assessment)

1.9.1 See risk assessment attached at Appendix A.

2. Summary of consultant recommendations

2.1 Viable options for each of the four sub-areas were selected from six possibilities

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St Paul's Estate Regeneration - Neighbourhood

Committee, 30th November 2006

Renewal Assessment results. Final version

ranging from 'do nothing' to 'total redevelopment' having regard to feedback from residents and stakeholders, the vision statement, objectives and decision rules previously agreed and reported to Cabinet.

2.2 Each of the identified options for each sub-area has been the subject of both financial appraisal and socio-environmental appraisal by PPS Ltd based on the methodology in the government's NRA Guidance Manual (ODPM, 2004).

2.3 A summary of the option recommended by the consultant for implementation in respect of each of the four discrete sub-areas is shown in the table below:-

Sub-area	Recommended option
A - Aldridge Close	Decent homes works (where needed)
B - Crabtree Place	Demolition and redevelopment
C - Folly Lane	Transformational improvement
D - Manser/Hudson/Hanover Street	A combination of selective demolition/redevelopment and transformational improvement – with redevelopment focusing on the central area of Hudson/Manser streets

2.4 Implementing the proposed housing and environmental regeneration programme will be a major undertaking and will cause significant disruption over a long period. A detailed phasing plan is required and this, in conjunction with the capital programme will need to inform the implementation plan. Further work by officers of both the Council and Cheltenham Borough Homes (CBH) is needed to ensure that the improvement programme will be delivered at a cost that is acceptable to the Council.

2.5 If the recommendations of the consultant's report are accepted by Cabinet, decisions confirming retention or clearance of dwellings will need to be taken. This will facilitate the regeneration process as vendors and purchasers wishing to buy or sell property in the zones where different approaches are agreed will receive correct advice regarding retention or clearance and will be able to act accordingly.

2.6 Formal measures will need to be taken to acquire properties for demolition and redevelopment using housing, planning or regeneration compulsory purchase powers. Negotiation with individual owners will proceed ahead of statutory action, with the Council seeking to acquire complete blocks of property so that the demolition programme can be implemented in phases.

2.7 The planned regeneration programme will only succeed if it is addressed in a truly corporate and co-ordinated manner. It will need to continue to link together all existing initiatives from across the Council, with initiatives from other public sector agencies, CBH and with initiatives from the voluntary and private sectors.

2.8 It will be important that the respective roles of the Council and CBH are clearly set out and agreed by Cabinet as part of the decision-making process to ensure that each

organisation is clear about its responsibilities and authority to proceed.

3. Draft implementation timetable

3.1 Outlined below is the provisional timetable for the regeneration scheme. This will need to be 'firmed up' by further work to produce the phased implementation plan and associated financing plan. The timetable assumes that the risks identified in Appendix A will not be realised. Some of these risks could significantly extend the timetable, compulsory purchase, for instance, could possibly add anything up to two years.

Phase	Estimated start date	Estimated end date
Preparation of implementation and financing plans	Jan 2007	Apr 2007
Purchase of owned interests by agreement/compulsory purchase	Jan 2007	Sept 2007
Assessment of tenants' and other occupier needs	Jan 2007	May 2007
Decent homes works – assessment and phased implementation (CBH)	Feb 2007	Dec 2008
Report to Cabinet on implementation and financing	Apr 2007	Apr 2007
Decanting – Crabtree Place	Mar 2007	Dec 2007
Demolition – phased to minimise disruption	Apr 2007	Dec 2007
Environmental works	Jan 2008	Mar 2011
Decanting – central area of Hudson/Manser Streets	Jan 2008	Sep 2008
Secure planning permission	Apr 2007	Apr 2008
Redevelopment commences	Jul 2008	Dec 2010
Transformational improvements (CBH)	Apr 2008	Mar 2010
Resident consultation and involvement	On-going	On-going

4. Consultation

4.1 The Neighbourhood Renewal Assessment process has included extensive consultation with local residents and other stakeholders in setting the vision and objectives for the regeneration process. Feedback received from residents has also

been an integral part of the option appraisal process, as recommended by the government in guidance published in 2004.

4.2 The consultation feedback was characterised by a diverse range of resident and stakeholder views, from those in favour of wholesale demolition and redevelopment through to those resistant to any change at all.

4.3 Some examples of particular concerns highlighted include:-

- a wish to avoid disruption to schooling for children in the area attending local schools;
- fears that residents might be forced to leave the area against their will;
- that the Council had already decided what should happen before consulting;
- that redevelopment was being pursued as an option just so the Council could make money out of the value of land in its ownership;
- that the level of empty properties is simply because the Council is not allowing them to be let;
- that there has been a failure to tackle crime and anti-social behaviour in the area;
- that the Council has taken too long to decide what it is going to do in St Paul's and needs to end the uncertainty about the future of the area.

5. Relationship of Project to Midwinter proposals

5.1 Officers and members are mindful of the need to ensure that the St Paul's regeneration proposals are complementary with emerging plans for the redevelopment of the Midwinter site. Over the longer term, there is an opportunity to secure a greater range of housing choices across these adjacent areas and to secure lasting benefits for the well being of the St Paul's community.

5.2 The recommendations for St Paul's now include much less redevelopment than was envisaged when the need for improvement of the area was reported to Cabinet in December 2005. The associated traffic impact, particularly on Folly Lane, is therefore likely to be relatively small, but there is still a need for environmental improvements to slow traffic travelling through the area. Further analysis of this will be necessary as the redevelopment proposals for St Paul's and Midwinter are firmed up.

6. Conclusions

6.1 It is clear that a considerable majority of residents and stakeholders want to see improvements in the area and that 'no change' is not an option.

6.2 A majority of residents (57%) are in favour of at least some demolition as part of the overall scheme of regeneration, with a significant minority (19%) wanting to see a more radical approach i.e. wholesale redevelopment. The analysis by PPS identifies

that in financial and socio-environmental terms, redevelopment of the whole area would not be appropriate.

- 6.3** The NRA process followed by PPS Ltd provides a robust and defensible framework for the Council to implement a phased scheme of regeneration in St Paul's, including where necessary, the evidence to justify the acquisition of privately-owned interests. Of the four sub-areas appraised, demolition is not considered to be the most appropriate option for either Aldridge Close or Folly Lane and only limited redevelopment is appropriate in Hudson and Manser Street, to help break up the existing street pattern and provide the opportunity for improving the dwelling mix and tenure balance.
- 6.4** Demolition and redevelopment is however considered the most appropriate way forward for Crabtree Place. This will need to be phased to minimise the disruption to residents and to give sufficient time to assist tenants with considering their housing options. It is recommended that the Community House is retained for the time being until a suitable alternative or improved facility can be provided.
- 6.5** It is inevitable that not all residents will be happy with whichever options are chosen for the sub-areas within the St Paul's estate. The Council has however listened carefully to the views of residents and other stakeholders and must now take this opportunity to end the uncertainty and proceed to implement the recommendations of the consultant's report. Further action will be needed to cost up and seek planning permission for the preferred form of redevelopment in Crabtree Place and in the central area of Hudson and Manser Streets, but work can now start early in the New Year in helping the residents and owners of properties that will be affected by the improvement proposals.
- 6.6** Cheltenham Borough Homes will organise decent homes works to those properties in the Council's stock that will be retained and to implement the demolition of properties identified for redevelopment. These initial phases of work can be funded through the decent homes programme funding that is already in place.
- 6.7** Officers from the Council and CBH will need to prepare a further report to Cabinet outlining the options and associated costs for delivering the planned redevelopment and transformational improvement works, including options for diversifying tenure. It will be important to continue to work with residents during this period, to help shape and implement a shared vision for the future of the area.

Background Papers

Neighbourhood Renewal Assessment for the St Paul's area: Report for Cheltenham Borough Council prepared by PPS Ltd – November 2006

Report to Cabinet entitled 'St Paul's Regeneration' - 19th July, 2005.

Report to Cabinet entitled 'St Paul's Estate Regeneration – Update on Option Appraisal' - 20th December, 2005

Report to Cabinet entitled 'St Paul's Estate Regeneration – Progress Update' - 29th March, 2006

Information paper to Cabinet entitled 'St Paul's Estate Regeneration – Progress Update' - 25th July, 2006

Report to Cabinet entitled 'St Paul's Estate Regeneration – Progress Update' - 12th May, 2006

Neighbourhood Renewal Assessment: Guidance Manual 2004, ODPM

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Accountability

Leader of the Council

Scrutiny Function

Social and Community