



Decision Maker: *Cabinet Member for Finance, Property and Regeneration*

Date: *24nd May 2019*

Classification: *For General Release with the exception of Appendix A*

Title: *Lisson Grove Programme (LGP) – Preferred Way Forward (PWF)*

Wards Affected: *Church Street*

City for All Summary

The proposed option will meet three of the Council’s City for All objectives. **Civic Leadership and Responsibility** will be demonstrated by a transparent process that has fully engaged with residents as part of a strategy of continuous engagement with the community and residents. A detailed consultation has been held on a range of potential options including do nothing, refurbishment and redevelopment with residents and Secured Tenants whose existing homes might be affected by redevelopment.

The designs would be developed, and any future renewal will promote **Opportunity and Fairness** by providing more homes of all types and providing access to potentially sector leading delivery of council and healthcare services; improving resident’s lives and creating a vibrant community which is full of opportunity.

The design development and potential future renewal of sites in the Lisson Grove Programme is a significant chance to strengthen a **World Class City** through creating high quality homes and a variety of safe and engaging open spaces that better connect Church Street and the surrounding areas.

Key Decision:

This report involves a Key Decision. The design development of the Preferred Option for Gayhurst & 6-12 Lilestone Street will be progressed in conjunction with the wider programme of sites. Further engagement with residents and community stakeholder groups will take place on the Concept Design ahead of the Outline Business Case.

The Preferred Option for Gayhurst House & 6-12 Lilestone Street looks to deliver a total of 73 homes, including re-providing 28 existing affordable homes and the creation of a new linear pedestrian park on the Gayhurst House and 6-12 Lilestone Street site whilst improving public realm and open space opportunities to the wider Lilestone Street site.

Financial Summary:

This paper explains that the proposed option for Gayhurst House & 6-12 Lilestone Street is within the Capital Budget for the Lisson Grove Programme and able to be financed by the General Fund (GF). All affordable homes (social and intermediate) are proposed to be retained by the Council.

Report of:

Barbara Brownlee, Executive Director, Growth, Planning and Housing

1. Executive Summary

1.1. The Church Street Masterplan was approved by Cabinet Committee in December 2017 as the Council's delivery framework for the Church Street regeneration programme. The Report recommended that further consultation will need to be undertaken on areas where existing homes or businesses are located. The consultation exercise should include a full range of options including maintenance ("do nothing"), refurbishment as well as development options.'

1.2. In accordance with the recommendation, options were prepared for Gayhurst House & 6-12 Lilestone Street which form part of the Lilestone Street site. Due to the previous partial development of Gayhurst House and extension to the flank end wall which created 6-12 Lilestone Street, the Council and their consultants have developed three options for this area, these are as follows:

- Option 1 - Maintenance
- Option 2 - Refurbishment
- Option 3 - Full redevelopment

- 1.3. These options were the subject of a public consultation exercise the 'Options Consultation for Gayhurst House & 6-12 Lilestone Street' which ran for an 8-week period from 7th March to 30th April. The Options Consultation material included further information on the emerging proposals for the wider sites that were not part of the Options Consultation. These included the Community, Health and Wellbeing Hub, Greenside Community Centre and the Orchardson Street site. This feedback is captured within this paper and informs the next steps including design development and further engagement. It should be noted for clarity that this paper is specific to the outcome of the consultation on the options for Gayhurst House and 6-12 Lilestone Street and establishes the Preferred Way Forward in respect of the options for those properties.
- 1.4. Summarising the three options; option 1 is maintenance only (business as usual), this is the least expensive option, it causes the least disturbance and does not deliver any new homes or additional improvements to the existing residents' homes. Option 2 is refurbishment, this delivers some additional improvements to the existing residents' homes, it does not deliver any new homes and would result in an increase in Leaseholder contributions over option 1. Option 3 provides 16 new affordable homes, re-provides 28 existing affordable homes and provides 29 new private homes. In total this option provides 73 homes including 30 additional homes and provides the greatest opportunity to improve the public realm and open space but requires the greatest level of investment.
- 1.5. This paper sets out the results of a comprehensive options assessment and extensive consultation process and requests the Cabinet Member to approve option 3 as the Preferred Way Forward for Gayhurst House and 6-12 Lilestone Street and to progress the design development in conjunction with the Orchardson Street and Lilestone Street sites with a view to presenting an Outline Business Case to the Cabinet Member in autumn this year.
- 1.6. In order to arrive at the recommended option officers have considered:
 - 1.6.1. The views of the community on each of the options through an extensive public consultation exercise (Options Consultation).
 - 1.6.2. The Masterplans four key themes and the community's preference for what they feel is most important to them established through a public consultation exercise (Priorities Consultation).
 - 1.6.3. The assessment carried out by the Council and its consultants on each of the options against the strategic objectives (Masterplan key themes and City for All vision) and the community's priorities (Priorities Consultation).
- 1.7. Responses received from the Options Consultation exercise indicate the participants are strongly in favour of redevelopment. Option 3 is the preferred option.
- 1.8. Soft market testing indicates that the market is supportive of redevelopment.
- 1.9. Option 3 provides the most compelling case for regeneration, delivers the greatest benefits, meets the communities' priorities and achieves the Councils City for All objectives. The comprehensive nature of full redevelopment creates greater opportunity and flex to respond to key stakeholder and community concerns, informing the design development prior to OBC.

1.10. For all the reasons stated above, this paper recommends option 3 as the Preferred Way Forward. The key next step is to develop option 3 further with a view to presenting an Outline Business Case to the Cabinet Member in Autumn this year.

2. Recommendations

2.1. That Appendix A of this 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 relating to the business and financial affairs of the authority.

2.2. Officers seek approval from the Cabinet Member for Finance, Property and Regeneration to:

2.2.1. Take forward option 3 as the Preferred Way Forward for Gayhurst House & 6-12 Lilestone Street.

2.2.2. To progress Gayhurst House and 6-12 Lilestone Street in conjunction with the wider programme of sites and return to the Cabinet Member with an Outline Business Case in autumn 2019.

2.2.3. To authorise Officers to enter into voluntary negotiations with residents and organisations and to spend the acquisitions budget to acquire all interests by agreement at open market value and offer compensation in line with the Council's Policy for Leaseholders in Housing Renewal Areas.

3. Reasons for Decision

3.1. The Church Street/Edgware Road Area is one of five priority estates identified in the Council's Housing Renewal Strategy (2010) as needing significant improvement and investment. In line with the City for All objectives and the Church Street Masterplan, the overarching objective of regenerating the Church Street ward is to bring about physical change that is sustainable and creates new and better homes, health and wellbeing services, economy and employment, public realm and open spaces to improve the lives of residents, business and visitors alike.

3.2. The decisions requested in this report will enable the design of the chosen option to be progressed, informed by comments received from the consultation and to be developed into an Outline Business Case for consideration by the Cabinet Member in autumn 2019.

3.3. To allow the Council as much time as possible to acquire interests by agreement and achieve vacant possession in accordance with the regeneration programme.

3.4. Option 3 is viewed as the Preferred Way Forward following a period of resident consultation. It brings about the most beneficial changes when judged against the Evaluation Criteria (see Appendix E). This assessment incorporates an evaluation of Viability and the Masterplans 4 Key Themes; Homes, Health & Wellbeing, Market & Economy and Making Connections across all 3 options and is supported by:

3.4.1. Wide ranging consultation with the community including the Priorities Consultation and the Options Consultation;

3.4.2. Soft Market Testing with a broad range of potential delivery partners;

3.5. Option 3 provides a compelling case in the public interest for regeneration following an extensive series of consultations including a dedicated Options Consultation. Option 3 provides a total of 73 new homes, including 28 re-provided affordable homes and 16 new affordable homes in addition to improved public realm and open space opportunities. Further engagement is proposed with community groups and key stakeholders as the design is developed.

4. Background, including Policy Context

The Futures Plan

4.1. The Futures plan is the previous renewal plan for Paddington Green, Church Street and Lisson Grove area for the period through to 2026/2030. The plan which was prepared in 2011 and published in 2012, is not a formal planning document but was subject to a resident vote, which was positive and formed the basis for those proposals to be delivered. The main features of the Futures Plan are:

- Better homes
- Better parks and open spaces
- Cultural, economic and enterprise opportunities
- Improved retail
- Better connections
- Community facilities

4.2. A number of housing developments and other initiatives from the Futures Plan and associated opportunities have been developed in the intervening time period or are in progress. Notably these include:

- **Lisson Arches:** a 55 unit sheltered housing scheme, which includes 15,000sqft of enterprise space is currently onsite and has been undergoing extensive enabling works. The scheme includes 44 affordable flats which will be primarily used to rehouse the residents from the sheltered scheme at Penn House, part of the Lilestone Street site.
- **Penn House and 4 Lilestone Street:** A Community/Healthcare hub and 45 residential units. This scheme is linked to Lisson Arches and will become available for redevelopment when the Lisson Arches site has been built and the residents from Penn House have moved in.

Church Street Masterplan

4.3. The Church Street Masterplan was approved by committee on 4th December 2017 and is now an adopted plan. The Masterplan provides the strategic framework that guides the economic growth and physical development for the Church Street regeneration programme and identified seven potential regeneration sites:

- Church Street sites A, B & C

- Lisson Grove (part of which includes the current Council offices land, referred to as the Orchardson Street site)
- Lilestone Street (includes Penn House and 4 Lilestone to the front, Gayhurst House & 6-12 Lilestone Street to the middle and Greenside Community Centre to the rear)
- Gateforth and Cockpit Theatre
- Little Church Street

4.4. The Church Street Masterplan 4 Key Themes are as follows:

- Homes – Developing new and better homes;
- Health & Wellbeing – Provide new community, health and wellbeing facilities and increase accessible open space;
- Market & Economy – Improve the market, provide affordable workspace and employment opportunities;
- Making Connections – Create a new pedestrian priority street and improve the public realm offering.

4.5. The Church Street Regeneration Programme Masterplan and Next Steps paper recommended that further consultation be carried out on each area where a Compulsory Purchase Obligation may in the future be required on a range of options to include maintenance only, refurbishment as well as development options.

Consultation Options

4.6. Part of the Lilestone Street site includes the residential properties of Gayhurst House and 6-12 Lilestone Street which currently comprise of 43 residential homes including 28 affordable rented homes. Further to the recommendation within the report options were prepared for consultation. Gayhurst House had been partially developed previously (extension to the flank end wall) which created the 6-12 Lilestone Street properties. The consolidated block fills the extent of its boundaries rendering further partial development unfeasible and unlikely to deliver additional homes.

4.7. The Council has developed 3 options for Gayhurst House & 6-12 Lilestone Street which cover the full range of available options and include maintenance, refurbishment and re-development. The options are as follows:

4.7.1. Option 1 – Maintenance. A business as usual option based on the Council and Leaseholders continuing to invest in the existing asset over a 30-year period in line with Decent Homes standards and the Major Works programme forecast. The projected capital investment is £5.1m.

4.7.2. Option 2 – Refurbishment. A 30-year investment programme as per Maintenance above but with a more frequent cycle for planned maintenance works and some additional improvements to the specification for Tenants. The projected capital investment is £6.0m.

4.7.3. Option 3 – Full redevelopment. This option includes the full demolition and redevelopment of Gayhurst House and 6-12 Lilestone Street. The existing affordable homes would be re-provided, and Tenants and Leaseholders would be able to access dedicated Renewal Policies which include the right to return,

disturbance and compensation if applicable. The projected capital investment is £10.8m.

- 4.8. Each of the three options has been evaluated against a set of assessment criteria utilising the Councils strategic objectives weighted by the community's order of preference as established by public consultation exercise, the Priorities Consultation, and viability to ensure the outcome is deliverable and represents the best combination of value for money and benefit gained. The criteria include Viability, Homes, Health & Wellbeing, Market & Economy and Making Connections.
- 4.9. The three options are compared on a net delivery cost basis for each option. In all instances costs and revenues are based on today's values, no inflation or interest has been applied.
- Option 1: £5.1m
 - Option 2: £6.0m
 - Option 3: £10.8m
- 4.10. The assessment indicates that option 3 full redevelopment scores most favourably on balance of the Councils strategic objectives and the community's priorities. Doing the minimum as in option 1 is the least expensive option but equally delivers the least benefits and no improvements. Option 3 is the most expensive option due to the high percentage of affordable housing (including re-provided affordable homes) and associated acquisition costs but delivers the greatest overall benefit.

Soft Market Testing

- 4.11. The Council undertook informal soft market testing in April this year to gauge market interest from a broad range of potential partners. The market acknowledged the potential of the programme, its location in an area undergoing change and growth and expressed a strong interest in partnering in a capacity suitable to the Councils requirements. Further details of the outcome of the Soft Market Testing can be found in Appendix F.

Programming and Phasing

- 4.12. As part of the design development of the options officers have considered programming and phasing matters and estimate start on site for option 3 would be in 2024, following delivery of the hub. This estimate will be developed further, and a Phasing Strategy will be presented as part of the Outline Business Case in autumn this year.
- 4.13. There are currently 16 leaseholders in Gayhurst House that would need to be acquired along with acquisition of 6-12 Lilestone Street from Notting Hill Genesis in order to achieve vacant possession by 2024. Officers are undertaking a detailed assessment of both on-site and off-site temporary and permanent opportunities for tenants. A Decant Strategy will be prepared and presented as part of the Outline Business Case in autumn this year.

5. Consultation

Priorities Consultation Summary

5.1. A Priorities Consultation was carried out with the community for a 4-week period between 12th November and 7th December 2018 ahead of the Options Consultation. The Priorities Consultation sought the community's preferences of what is most important to them when considering Masterplans 4 key themes. Respondents were able to select any, all or none of the themes. 162 responses were received in total. The preferences are summarised below in order of priority:

- Homes (34%) 115
- Health & Wellbeing (27%) 92
- Market & Economy (23%) 78
- Making Connections (16%) 56

5.2. The outcome of the Priorities Consultation is that the community reconfirmed the same preference of priorities as the earlier Masterplan consultation, consistently demonstrating clear set of objectives and aspirations to guide regeneration. Homes achieved the highest level of support, followed by Health & Wellbeing, Market & Economy and Making Connections.

Options Consultation Summary

5.3. An Options Consultation was undertaken with the community during an eight-week period from 7th March to 30th April 2019 with residents, businesses and market traders living and working in the Church Street ward.

5.4. The consultation process was comprehensively publicised with over 6000 invitation flyers distributed, 160 posters displayed, invitation letters to all resident tenants and leaseholders in Gayhurst House and 6-12 Lilestone Street and invitation e-mails sent to Resident's Associations, the Neighbourhood Forum, schools, Councillors, the local MP, business forum, Church Street Library, Community Organisations, Central Area Panel, and various youth clubs.

5.5. During this time the Council used a dedicated venue at 35-37 Church Street to host the exhibition where it kept 3D models and visualisations of the options on display and held daily drop ins between 10am to 4pm along with some evening and weekend sessions. Additionally, it held workshops, themed events and pop ups at key locations around the community. The consultation team visited residents of the affected properties, local schools and community organisations including the Tenants and Residents Association AGM, and a meeting was held with the Committee of the Church Street Neighbourhood Forum.

5.6. A total of 311 members of the community visited the exhibition, responded to door knocking or participated in events. Of that number 236 people attended the exhibition and 75 people attended the themed events and workshops.

- 165 questionnaires were received in total including sites A, B & C
- 44 respondents provided feedback on Gayhurst House and 6-12 Lilestone Street
- 12 of those respondents are residents living in those properties
- 6 separate written responses were provided by community groups and key stakeholders

5.7. Responses from all the questionnaires received for Gayhurst House and 6-12 Lilestone Street indicate a strong preference and support for Option 3 - Full redevelopment:

- 23% (10) of the respondents thought option 1 met or exceeded the needs of the community
- 42% (18) of the respondents thought option 2 met or exceeded the needs of the community
- 57% (25) of the respondents thought option 3 met or exceeded the needs of the community

5.8. Included within the above are 12 respondents who identified as residents from the 43 properties that make up Gayhurst House & 6-12 Lilestone Street. Whilst the turnout was limited from those properties, those that did respond tended to favour refurbishment or maintenance:

- 50% (6) of the respondents thought option 1 met or exceeded the needs of the community
- 66% (8) of the respondents thought option 2 met or exceeded the needs of the community
- 25% (3) of the respondents thought option 3 met or exceeded the needs of the community

5.9. From the responses received from the residents of Gayhurst House and 6-12 Lilestone Street 6 respondents felt that option 3 did not meet all or any of the community's needs whilst 3 respondents felt that option 1 failed to meet the communities needs and 2 respondents felt option 2 failed to meet the community's needs.

5.10. Overall the consultation responses indicate strong support from the community for the redevelopment of Gayhurst and 6-12 Lilestone Street. There is a small number of residents in the properties, including some who have lived there for a long time and are not in favour of moving. Whilst regeneration cannot cater for all, it would be helpful to work with them, better understand their concerns and ensure they are familiar with the benefits available to them including the right to return.

5.11. A number of written responses were issued by key stakeholder and community groups including the Church Street Ward Councillors, Church Street Ward Neighbourhood Forum (CSWNF) and the Lisson Green Tenants and Residents Association (TARA). The responses did not identify a preferred option for Gayhurst House and 6-12 Lilestone Street but do highlight a number of wider concerns for consideration. These include:

- Gayhurst and 6-12 Lilestone Street residents should be able to return to Lisson Green
- Potential loss or significant reduction of the greenspace at Greenside Community Centre
- Proposed uses, allocation and availability of space within the Community, Health and Wellbeing Hub including the library. CSWNF have requested to be formally involved in developing and commissioning the hub business model.

- The stakeholder and community groups were generally supportive of proposals for Orchardson Street but noted their preference for WAES to be retained within the ward and for a location to be outlined ahead of future consultation on the site.
- Current issues with younger members of the community and a ward wide lack of youth facilities being provided by the current regeneration proposals.
- Greater detail is required to understand the design of the buildings.

5.12. The Options Consultation Report which sets out the full details of the consultation process and findings can be found in Appendix B and the Options Consultation Booklet can be found in Appendix C.

6. Financial Implications

6.1. Please see Appendix A. Exempt due to confidentiality.

7. Legal Implications

- 7.1. The decisions in this report may be carried out in accordance with Section (1) of the Localism Act 2011, which allows the Council to do anything that individuals may generally do (the general power of competence). The Council also has the power under Section 111 of the Local Government Act 1972 to do anything, which is calculated to facilitate or is conducive or incidental to the discharge of any of its functions. The decisions in this report may be carried out.
- 7.2. Under Section 105 of the Housing Act 1985, the Council has a legal obligation to consult its secure tenants on matters of housing management such as changes to the management, maintenance, improvement or demolition of dwelling-houses let by the Council under secure tenancies or changes in the provision of services or amenities in relation to such dwelling-houses.
- 7.3. The Council must comply with the public sector equality duty (“PSED”) under section 149 of the Equality Act 2010, which is dealt with at section 7 of this report.

8. Equalities Impact Assessment

- 8.1. Human rights and equalities implications are being reviewed by the Councils appointed consultant AECOM, as part of an assessment and continuous monitoring approach to ensure due regard is given to the elimination of discrimination, harassment and victimisation and to foster good relations and advance equality of opportunity between persons with relevant protected characteristics and those who do not share it and that the effects of regeneration do not impinge on those obligations or where mitigations are

proposed, they result in a net positive benefit to the current and future needs of the residents and community.

9. Next Steps

- 9.1. Further engagement will take place with the residents of Gayhurst House and 6-12 Lilestone Street to assess their needs and to inform them of the options and benefits available to them under the Council's Policies for Leaseholders and Tenants in Housing Renewal Areas and applicable lettings polices, as updated from time to time.
- 9.2. If the Cabinet Member approves the recommendations in this report, officers will progress the design of option 3 and return to the Cabinet Member with an Outline Business Case in Autumn 2019. Further approval in Autumn 2019 will also include:
- A delivery route and grant authority to procure and negotiate with delivery partner(s) if applicable.
 - A planning application strategy.
 - A revised budget if applicable.
 - A CPO strategy, but only to be implemented after negotiations have been exhausted and as a method of last resort.
 - A phasing and decanting strategy which will include consideration of the needs of the residents of Gayhurst House, 6-12 Lilestone Street and Penn House in connection with the Lisson Arches development.

If you have any queries about this Report or wish to inspect any of the Background Papers, please contact:

Serena Simon ssimon@westminster.gov.uk

Background Papers:

Church Street Masterplan Regeneration and Next Steps

List of Appendices:

Appendix A – Financial Implications, Exempt, not for publication

Appendix B – Gayhurst House and 6-12 Lilestone Street Options Consultation Booklet

Appendix C – Gayhurst and 6-12 Lilestone Street Options Consultation Report – Statement of Community Involvement

Appendix D – Design and Evaluation of the Options

Appendix E – Soft Market Testing

Appendix F – Other Implications

NB: For individual Cabinet Member reports only

For completion by the **Cabinet Member** for Finance, Property and Regeneration

Declaration of Interest

I have <no interest to declare / to declare an interest> in respect of this report

Signed:

Date:

NAME: Councillor Rachael Robathan, Cabinet Member for Finance, Property and Regeneration

State nature of interest if any

(N.B: If you have an interest you should seek advice as to whether it is appropriate to make a decision in relation to this matter)

For the reasons set out above, I agree the recommendations in the report entitled **Lisson Grove Programme (LGP) – Preferred Way Forward (PWF)** and reject any alternative options which are referred to but not recommended.

Signed

Councillor Rachael Robathan, Cabinet Member for Finance, Property and Regeneration

Date

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and this pro-forma is returned to the Secretariat for processing.

Additional comment:

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If you do not wish to approve the recommendations, or wish to make an alternative decision, it is important that you consult the report author, the Head of Legal and

Democratic Services, Chief Operating Officer and, if there are resources implications, the Director of Human Resources (or their representatives) so that (1) you can be made aware of any further relevant considerations that you should take into account before making the decision and (2) your reasons for the decision can be properly identified and recorded, as required by law.

Note to Cabinet Member: Your decision will now be published and copied to the Members of the relevant Policy & Scrutiny Committee. If the decision falls within the criteria for call-in, it will not be implemented until five working days have elapsed from publication to allow the Policy and Scrutiny Committee to decide whether it wishes to call the matter in.

Appendices B & C are separate documents

Evaluation Assessment of the Consultation Options

1.1. Each of the three options has been evaluated against a set of assessment criteria based on the Masterplan Key Themes which meet the Councils strategic City for All objectives and are weighted in accordance to what is important to the community as identified by the Priorities Consultation. In addition, Viability is included with even weighting to ensure that the outcome represents value for money.

1.2. The below table sets out the evaluation criteria for each of the key themes:

THEME	QUESTION
Viability (20%)	Is this the cheapest/most expensive option?
Homes (27%)	Does it provide more homes?
	Does it provide more affordable homes?
	Does it provide better homes?
Health & Wellbeing (22%)	Does it improve open space and the environment?
	Does it improve community services?
	Does it cause disruption?
	Does it create safer neighbourhoods?
Market & Economy (18%)	Does it improve the market?
	Does it improve business opportunities?
	Does it create employment opportunities?
Making Connections (13%)	Does it improve the experience for pedestrians?
	Does it encourage more sustainable modes of transport?
	Does it create a more connected neighbourhood?
	Does it improve virtual connectivity?

1.3. Below is the table setting out the assessment of each of the 3 Options:

Theme	%	Option 1 – Maintenance	Option 2- Refurbishment	Option 3 – Redevelopment
Viability	20	20	16	-
Homes	27	-	9	27
Health & Wellbeing	22	6	-	11
Market & Economy	18	-	6	6
Making Connections	13	-	3	13
Total	100	26	34	57

1.4. Option 3 scored the highest reflecting the potential the redevelopment option has to respond to the communities' priorities and the Councils strategic objectives. It has the greatest cost to deliver due to the high levels of affordable housing being proposed however on balance it significantly outperforms options 1 & 2. Option 2

was some distance behind option 3 but performed well reflecting the option's ability to create better homes.

1.5. The Options ranked the same order in the evaluation assessment and in the Options Consultation demonstrating strong support from the community and alignment with the Councils strategic objectives. Option 3 had the strongest support and score in both instances, followed by option 2 and then finally option 1 with little support. The options evaluation is captured in further detail below:

1.5.1. Viability. Option 1 is the cheapest to deliver and scored maximum in this category. Option 2 is comparatively good value for money and scored proportionately well. Due to the level of investment required to deliver a high percentage of affordable homes (new and reprovided), option 3 scored poorly in this category.

1.5.2. Homes. Option 1 does not provide any additional improvements and scored 0. Option 2 provides some additional improvements and creates better homes. Option 3 scored the maximum in this category by providing 30 new homes, reproviding 28 existing affordable homes and some new market homes.

1.5.3. Health and Wellbeing. Options 1 & 2 provide no additional benefits or improvements. Option 3 achieved a low score through potential to create a new external community space to the rear of the Hub.

1.5.4. Market & Economy. Option 1 did not score in this category providing no discernible benefits. Option 2 and option 3 achieved a low score due to potential employment opportunities through increased construction related activities.

1.5.5. Making Connections. Option's 1 & 2 do not provide any discernible benefits. Option 3 scored well due to the comprehensive design approach providing numerous opportunities to improve the Public Realm throughout the Lilestone Street site and respond to feedback received during the consultation.

Soft Market Testing

- 1.1. An informal Soft Market Testing exercise was undertaken in April 2019 to gauge market interest from potential partners or consortium organisations that offer expertise in and appetite for estate regeneration, investment, construction, delivery property and estate management of markets sale and rental schemes.
- 1.2. A broad selection of 45 interested organisations were issued an information pack containing the Options Consultation material, a questionnaire and invited to attend a 1:1 meeting with Officers from the Development and Procurement Teams. Ten meetings took place with attendees offering feedback and taking part in discussion on the following:
 - Feedback on the redevelopment options.
 - Challenges and constraints with the proposed schemes.
 - Phasing and their views on market condition and product demand.
 - How and where they can add value in the development.
 - Contractual and partnership structures of interest to them.
 - Planning strategy.
- 1.3. Headline findings are as follows:
 - 1.3.1. The Soft Market Testing has been positively received with good take and strong levels of interest in location and pricing point
 - 1.3.2. All companies understood the Council's decanting and re-provision obligations and did not have any concern in principle with front loading the delivery of affordable housing in early phases.
 - 1.3.3. Supported a flexible approach to Private for sale and Private rented sector housing, where units were interchangeable between the two private tenures to allow flexibility now and in the future. Did not express any concerns with Private for sale being built to LHDG standards.
 - 1.3.4. No major concern expressed with saturation of private sale units, as they will be built and sold at a gradual rate. Stressed the importance of identifying the target market and setting the right price point.
 - 1.3.5. Maintaining an operational market throughout the period of construction was viewed as a challenge.
 - 1.3.6. Noted the importance of meanwhile uses to maintain a functioning place over a long regeneration programme.
 - 1.3.7. All companies indicated they are flexible in terms of their role in the development, however would like to get involved at pre-planning stage to influence the design.
 - 1.3.8. Were keen to understand Council's funding capacity in the context other commitments such as Ebury.

Other Implications

1. Resources Implications

No implications at this stage

2. Business Plan Implications

No implications at this stage

3. Risk Management Implications

No implications at this stage

4. Health and Wellbeing Impact Assessment including Health and Safety Implications

No implications at this stage

5. Crime and Disorder Implications

The consultant team is required to ensure that Secured By Design guidance is considered during the development stage to ensure that proposals for new homes, public realm and open spaces create safer places to live, work, shop and visit.

6. Impact on the Environment

No implications at this stage

7. Equalities Implications

Please refer to paragraph 7.

8. Staffing Implications

No implications at this stage

9. Human Rights Implications

No implications at this stage

10. Energy Measure Implications

No implications at this stage

11. Communications Implications

Regular newsletters and updates in the dedicated Regeneration office on Church Street have been provided to residents. This will continue through any development period along with a series of further engagements with residents and community groups to inform the design development and prepare a co-ordinated approach to delivery of community facilities within the regeneration area that meet the community's current and future needs.