

Appendix A – Informative Note by the Council’s Housing Service

PURPOSE

This background note is to explain the process undertaken by the Council which has led to the submission of the current planning application for the redevelopment of the site of the former Tidemill School. It also sets out how a funding package agreed between the applicant, the GLA and Lewisham Council as landowner has enabled 21 homes that were previously designated for private sale to be made available for social rent instead, taking the affordable housing provision from the project to 47%, or 44% of the net new homes.

1. The information contained here is intended to provide historical context to the application made by Family Mosaic, Sherrygreen Homes and Mulalley to redevelop the site of the former Tidemill School, including by explaining how it relates to the Council’s wider strategy for the regeneration of Deptford, and the public consultation and decision making processes the Council has undertaken prior to the applicant making its submission.

PROJECT SUMMARY

2. The Council has already invested significantly in Deptford as part of a strategic approach to regeneration. The former Tidemill School vacated the site to move to its new premises in 2012, as part of a wider Deptford South master plan that has also delivered a new library, Deptford Lounge, new homes and parking facilities. The agreed Council strategy for the regeneration project has been to recoup the significant up-front investment it made through land sales from subsequent phases of the wider regeneration programme, including that now proposed on the site of the former Tidemill School.
3. The Council selected Family Mosaic, Mulalley and Sherrygreen Homes as development partner to whom the land would be disposed, in line with the wider regeneration strategy. It has subsequently entered into a legally-binding development agreement with this partnership which will deliver significantly more affordable homes than that set out in the planning viability assessment. The Planning application shows the percentage of affordable housing that would be deliverable in a scheme should it be delivered by developers in the usual way. The Development Agreement ties the developer into the higher amount through investment of their own profits.
4. The selection of Family Mosaic, Sherrygreen Homes and Mulalley was decided at the Council’s Mayor and Cabinet meeting in February 2014 following an OJEU compliant competitive dialogue process. In addition to the capital receipt for the land, the key factors in their selection were:
 - 35% affordable housing across both sites, priority re-housing in the new build for existing residents
 - Rented homes to be let at target rent levels
 - Protected rent for residents of 2 – 30A Reginald Road to ensure rents are comparable to current levels
 - All existing tenants of 2 – 30A Reginald Road can move directly into new homes on either site
 - All existing resident leaseholders can use their existing home to buy into the new development
 - Building the new £1m park at Amersham Grove ahead of Planning approval
5. Since the Committee deferred the application in 2016, negotiations between the applicant, the GLA and Lewisham Council as land owner have led to an increase in the amount of affordable housing that can be provided on the Frankham Street site. The three parties have agreed a funding package, to which all three will contribute, and which will allow for 21 homes that were previously designated for out-right sale to instead be made available for social rent, using the GLA’s new London Affordable Rent levels.
6. The proposal is therefore that the Frankham Street development will provide a total of 47% affordable housing overall, or 44% if the proportion is calculated by considering only the net new homes which will be delivered.

CONTEXT

7. The Deptford Southern Housing developments are both part of the wider regeneration of Deptford that has been happening over the last decade. The Council has already made significant investment in Deptford as part of a strategy to recoup some of this investment at the end of the project, and on which we have already begun to see a financial return.
8. Since 2008, Deptford town centre has undergone a major transformation to help prepare it for the increase in population and the additional demand on local services that new developments in the area will bring. During that time, the implementation of a Council-led master plan - developed in conjunction with several partners including the Department for Communities and Local Government, Network Rail and London & Quadrant Housing Association - has re-drawn the map of the town centre, both literally and figuratively, delivering major improvements for residents, visitors and shoppers.
9. The southern half of Deptford High Street has undergone a £2.1 refurbishment, jointly funded by the Greater London Authority and Lewisham Council, with special attention being paid to Deptford Market. The extended Wavelengths leisure centre and the re-located Tidemill Academy now offer even better educational and leisure facilities, while the multi-award-winning Deptford Lounge provides a new focal point for community activities. New artists' units and gallery space are helping to strengthen the local economy, improving opportunities for businesses and building upon Deptford's reputation for artistic excellence. The town centre's image has been further enhanced by its contemporary new station building with its steel framework and glass facades.
10. Following on from these improvements to the local infrastructure, 2016 saw the completion of *The Deptford Project* which, in addition to delivering 121 new homes, restored the historic Victorian carriage ramp next to Deptford Station; creating a new public plaza with independent businesses such as cafes, shops and a florist recently having opened in seven newly opened arch spaces.
11. Deptford Southern Housing, consisting of two schemes forms the next major stage of the Council's regeneration strategy for Deptford and includes the development of the old Tidemill School on Frankham Street and the development of Amersham Grove. Planning consent has been granted for Amersham Gove and Tidemill is the subject of the main body of this report.
12. The Frankham Street site forms part of the *Deptford Town Centre Masterplan*, which includes the new Deptford Lounge and the new Tidemill School. The old Tidemill school vacated the site to move to its new premises in 2012. This part of the Frankham Street site has therefore been vacant for the last four years. With the opportunity to designate this land for housing the redevelopment of the adjacent Reginald Road site, which includes existing secure housing and the old caretaker's house, was also included as part of the Frankham Street proposals.
13. The Amersham Grove site is located just north of New Cross Station and west of Deptford High Street, on the former Deptford Green School site. Deptford Green School has been rebuilt and reopened in 2012 on a site further west on Edward Street.

DECISION MAKING

14. The Deptford Southern Housing developments and the wider regeneration of Deptford are part of the Council's long-term strategy is set out in the *Deptford Urban Design Framework and Development Strategy* which was adopted by the Council in April 2004.
15. Following the commission of a masterplan by HKR architects in 2005, the Council commenced initial design and feasibility work with PTE Architects which culminated in the publication of *the Tidemill School, The Lewisham Lounge and Giffin Street Regeneration Area Report* in March 2007 and the preparation of a business case in summer 2007. This was presented to the Mayor and Cabinet in November 2007. In February 2008 a public exhibition was held and attended by over 400 local residents in addition to s.105 consultation with secure tenants at 22-80 and 82-150 Giffin Street and 2-30 Reginald Road.

16. Following consultation, in June 2008 the Mayor and Cabinet approved that the land of the former Tidemill School will be surplus and suitable to be designated for housing. In addition the outcome of a s.105 consultation resulted in widening the scope of the Frankham Street proposals to include the existing housing blocks on Reginald Road and Giffin Street. Following extensive further consultation in 2008 officers amended proposals to respond to feedback, but this was temporarily suspended during the economic downturn in 2008.
17. In 2010 officers conducted further consultation with local residents on an alternative scheme which responded to local feedback, and in 2011 the suspended review to consider widening the scheme to include Reginald Rd and Giffin St recommenced. Following this review, in April 2012 officers worked with PTE architects to revise the feasibility report and produce a revised masterplan that included the demolition and replacement of the blocks on Reginald Rd and Giffin St. This review included a full housing needs assessments of residents in the existing blocks of the enhanced scheme which included the demolition and re-provision of the existing Giffin St & Reginald Rd blocks in order to provide an additional 119 new homes compared to the original scheme.
18. Following approval from the Mayor and Cabinet in April 2012, in June 2012 officers carried out a s.105 consultation on the enhanced scheme in which the general feedback was positive with a small minority objecting to the scheme.
19. In May 2013 Lewisham's Mayor and Cabinet approved the decision to launch a selection process for a development partner to bring forward the enhanced Frankham Street site, and additionally to include the Amersham Vale site as part of this procurement process. Mayor and Cabinet also agreed to delegate authority to the Executive Director for Resources & Regeneration to make the selection between scheme 1AA and 1AAR, subject to the results of the technical surveys being undertaken. A design options analysis concluded that option 1AA is the preferred delivery option. This option excluded the Giffin Street blocks as they had already benefitted from some Decent Homes works, also including Giffin St blocks had the largest vacant possession site and a higher number of Leaseholders, which meant that the cost of assembling the land from leaseholders, and the risks associated with that, were higher.
20. Family Mosaic, Sherrygreen Homes and Mulalley were selected by Mayor and Cabinet in February 2014 following an OJEU compliant competitive dialogue process. Key factors in their selection were:
 - a. 35% affordable housing across both sites, priority re-housing in the new build for existing residents
 - b. Rented homes to be let at target rent levels
 - c. Protected rent for residents of 2 – 30A Reginald Road to ensure rents are comparable to current levels
 - d. All existing tenants of 2 – 30A Reginald Road can move directly into new homes on either site
 - e. All existing resident leaseholders can use their existing home to buy into the new development
 - f. Investing £1m upfront and building the new park at Amersham Grove ahead of Planning approval
 - g. Provision of a significant capital receipt that meets the Council's investment requirements
21. Following the deferral of the application at committee in 2016, the applicant, the GLA and Lewisham Council as landowner, have worked together to reconsider the amount of affordable housing that the development can provide. On 28 June 2017 the Council's Mayor & Cabinet agreed to vary the development agreement between the parties in order that the level of affordable housing in the development be increased to 47% overall, or 44% when calculated considering the net new homes only.
22. This increase has been made possible principally as a result of the new funding regime initiated by the GLA, which has increased the per unit grant rate for affordable homes. It has also been made possible through additional investment from the applicant and the Council. On the part of the Council this is possible as a result of utilising the additional "overage" that was negotiated with the preferred bidder, and transferring this value into additional affordable homes now rather than a capital receipt later.

PROJECT OVERVIEW

23. The Council as landowner has entered into a legally-binding development agreement with Family Mosaic, Mulalley and Sherrygreen Homes that was originally designed to deliver a 37% contribution to affordable housing across the two sites; significantly more affordable homes than that set out in the planning viability assessment. Following the first consideration of this application by Committee, the applicant, the GLA and Lewisham Council have re-negotiated the affordable housing provision on the Frankham Street site, such that it now provides 47% of the homes as affordable overall. An alternative approach is to consider the *net* new affordable homes provided, which has understandably been proposed by residents groups and others. Under this definition 44% of the net new homes provided by the development would be affordable.

Frankham Street

24. The proposals for the old Tidemill school are to deliver 209 new homes with 47% affordable housing including 74 for affordable rent and 25 for shared ownership. The new development will also provide a range of amenity spaces – private, communal and public – including a central green square.

25. The homes at Reginald House are secured tenancies and all of the homes will be re-provided as part of the new development. The Council has already started the re-housing process with residents of 2 – 30A Reginald Road. Three households have vacated their homes, including two households who moved voluntarily (a third was evicted for fraud). Officers have been in active conversation with eight households about their options and believe at least seven are keen to move to the new development once it is completed. Two residents wrote to Planning in support of the scheme in September 2016.

26. When the school relocated, the Tidemill Wildlife Garden was established as a temporary use while the current proposals were developed and its temporary status was made clear to those involved from the very beginning. While notice was served in advance of the Committee meeting in September 2016, to enable the Council to secure possession of the grounds to meet wider programme requirements. Following the deferment of the application at the meeting in September, Council officers entered into dialogue with representatives of the Garden and have agreed that the Council will not enforce this notice at present. This was for a limited time to enable further consultation, as requested by the Committee.

27. Officers have worked very closely and collaboratively with the group who runs the garden (Friends of the Old Tidemill Wildlife Garden). This has included meeting with the group and providing a list of alternative options including asking whether the group had identified any other potential sites in the area. The Applicant has committed to working with the group, and has agreed to allow use of the new central green space and provision of storage space in the new development

28. Following the previous consideration of this application, and the deferral to allow the applicant, the Council and the community to further work together collaboratively. A series of meetings has taken place, attended by representatives of a number of local groups, ward councillors and Len Duvall AM. The last of these took place on 27 February, and at this meeting the following offer was made by the applicant to the community: .

- That it will work in collaboration with the community group to decide the design, use and management strategies for of all of the public spaces on the site;
- This collaboration is proposed to be made legally binding through a legal agreement attached to planning consent, if granted;
- That the residents of Frankham House could have fob-enabled access to the new communal garden to the rear of their block, and will not be charged service charges for maintaining that space;
- That the construction phasing could be re-ordered and a new site compound found. By doing so the open space on the corner of Reginald Rd and Deptford Church Street could be available from the first day of the project to the community group to transfer the community garden onto, subject to them engaging on the terms set out above.

Amersham Grove

29. The proposal for 120 new homes, including 24 for social rent and 15 for shared ownership (32% affordable housing in total) on this site was approved by Committee in 2016. However as the two schemes are contractually linked, construction has not been able to commence pending consideration of this application. The Amersham Grove site has also provided the new Charlottenburg Park, which was delivered up front by the Applicant, at their own risk, and opened by Mayor Sir Steve Bullock in September 2016.

COMMUNITY CONSULTATION

30. Since February 2008 there has been significant public consultation both on the wider concepts included in the Deptford Masterplan and on the specific housing proposals across the two sites. This included statutory Section 105 consultation, and a number of changes were made by officers as a result of consultation feedback.
31. In February 2008 a public exhibition held at Giffin Square to consult with residents on the early Deptford masterplan which over 400 residents in attended and the feedback was broadly positive. This was followed by s.105 statutory consultation with the secure tenants at 22-80 and 82-150 Giffin St and 2-30 Reginald Rd outlining the initial plans to add extensions to the end of the existing housing blocks of 22-80 Giffin St and 82-150 Giffin St.
32. Following this s.105 consultation – which included weekly drop in sessions, a newsletter, attending TRA meetings, meetings with key stakeholders - officers reviewed the plans to widen the scope to include existing housing blocks on Reginald Road and Giffin Street. In response to concerns raised by Giffin Street and Reginald Road residents, officers amended proposals to address concerns ver a reduction to the play area and investigated options to extend the communal garden whilst ensuring ample parking is available for current residents.
33. In April 2012, after approval from the Mayor and Cabinet to consult on the enhanced scheme (as set out in para. 8), officers held a residents meeting for those living in 22-80 & 82-150 Giffin St and 2-30 Reginald Rd regarding the proposed enhanced scheme as an opportunity to reintroduce the scheme to residents. Approximately 30 residents attended as well as officers and PTE architects. In June 2012, S105 consultation carried out with residents in the enhanced scheme which included newsletters, two drop in sessions and the creation of a residents steering group. The outcome of the s.105 consultation was reported to the Mayor and Cabinet in which the general feedback was largely positive and small minority did not support the scheme. Officers continued to engage over summer 2012 through a series of monthly newsletter, events and meetings.
34. In May 2013 a letter was sent to all secure tenants in Reginald Road and Giffin Street informing them of the revised scheme and inviting their comments as part of the s. 105 consultation. In September 2013 officers reported a low response rate to the Mayor and Cabinet which resulted in the consultation period being extended.
35. Communication and consultation with residents and the wider community resumed in 2015 following developer selection and during development of the Planning application. This was largely based around two public exhibitions in July 2015 and October 2015, which were widely publicised. A website was made public in September 2015 and this provides access to the consultation boards for each event. The website was also used as the forum for local people to vote on and choose the name of the new park - Charlottenburg Park – in Amersham Grove.
36. Following the second public exhibition the developers held a meeting with residents of Frankham House to discuss their concerns. Following this meeting, the Applicant amended their proposal by introducing a cut back to their building; the developers also developed a further landscaping option for the pocket park in direct response to resident's comments.
37. There was also ongoing engagement with residents of 2 – 30A Reginald Road during 2015 in which they received a series of letters and written information about the scheme including a formal commitment to their decant offer of re-housing alongside invitations to bespoke and public exhibitions.

Officers have also visited tenants in their homes to talk about the re-housing process and also leaseholders to discuss their home ownership options. Tenants who choose to move into the new build will be able to choose fixtures and fittings in their new home and a first Design session was held in December 2015. These sessions will resume with relevant tenants should permission be granted.

38. The Planning applications have been amended by the applicant in response to feedback during consultation in a number of ways to benefit the local community and improve the integration with adjoining buildings.
39. The amendments to the Tidemill scheme include:
 - a. The side extension to the main school building has been reduced in footprint, increasing the distance to Frankham House and relocating balconies to the front.
 - b. The building closest to the existing Princess Louise building has been reduced in footprint, almost doubling the distance between the two. This means the loss of one property but it will not impact on the number of affordable homes.

Concerns have been raised about the communal gardens closest to Frankham House. The developers have agreed to allow these gardens to be used by Frankham House residents. All residents (regardless of tenure) will be required to sign up to a good behaviour agreement before being given access
40. There has also been extensive consultation with the community since the application was considered in 2016, as set out at para 28.

SUMMARY OF BENEFITS

41. In summary, the key benefits of the Frankham Street development is as follows:
 - a. High quality design, part of the master plan, in keeping with rest of the area;
 - b. Sensitively restored school buildings;
 - c. Public realm;
 - d. CIL receipts and local services;
 - e. 47% affordable housing overall, or a net 44% if the homes to be replaced are excluded
 - f. Commitment to re-house all existing tenants on similar tenancies with protected rents;
 - g. Commitment to help resident leaseholders remain in home ownership in the new development through shared equity;
 - h. An increase in publicly accessible green space;
 - i. Clearly defined amenity space for public, private and communal use;
 - j. The opportunity for the existing garden group to have a long term future within the new development, which could commence immediately,
 - k. A commitment by the applicant to work collaboratively on the design of open spaces, and make this commitment legally binding