

Sustainable Development Select Committee		
Title	Catford regeneration programme update	
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Class	Part 1 (open)	4 July 12019

1. Purpose of paper:

- 1.1. Sustainable Development Select Committee (SDSC) has asked for an update on the progress of the Catford Regeneration Programme, specifically the progress of the Masterplan Framework timetable and key activities, as well as specific projects being progressed by Catford Regeneration Partnership Limited (CRPL).

2. Recommendations:

- 2.1. The Select Committee is asked to note the content of the update.

3. Background:

- 3.1. SDSC has requested an update of the regeneration programme as well as some of the key projects being delivered by CPRL.

4. Catford Masterplan Update

- 4.1. Studio Egret West (SEW) were appointed in July 2018 to lead a highly talented multidisciplinary team of architects, urban designers, sustainability and transport consultants. The work was started in August 2018, initially timetabled to complete in Spring 2019. The complexity of the project has meant that timetable has slipped, with a revised target of late 2019/early 2020 to complete and adopt the Masterplan.

4.2. Design/Framework Evolution

- 4.3. The early stages of the framework production began with extensive baseline analysis, including meetings with Council departments and meetings with key stakeholders, to gather and review information. A series of principles were tested, alongside analysis of physical constraints and opportunities, in order to scrutinise assumptions regarding the optimal alignment of the A205, the geometry of its junctions and the development plots that would be formed as a result of the infrastructure transformation. The 'unlocking' piece was the core of the town centre because the sequencing of future development phases was found to be dependent on the Laurence House site and the Council's office accommodation strategy. There was also a priority to develop a scheme that would widen pavements and narrow crossing points, to improve the experience and safety of people moving about the town centre.

- 4.4. The Laurence House building, if it were to remain for at least 7 years, was a constraint and therefore the alignment of the road responded to this. To the north of the

Broadway, engineering drawings of the 'megastructure', which occupies most of the Milford Towers and Catford Centre site, were investigated. How the structure would come down in parts was identified, and the proposed reinstated street pattern reflects this phasing but also restores north-south lanes and plot sizes that can support a diverse range of buildings for residential and mixed uses.

- 4.5 The emerging structure plan illustrates 10 key place shaping principles for Catford Town Centre:
1. Strengthen the connection between the stations and the town centre,
 2. Create an improved station arrival;
 3. Creating a verdant, accessible and inclusive town centre public realm;
 4. Improve connections with the wider area and the river Ravensbourne,
 5. Establish a distinct civic and culture destination at the heart of Catford;
 6. Nurture and grow the local business community;
 7. Rediscover historic lanes and connect with surrounding streets;
 8. Deliver a range of high quality homes in the town centre;
 9. Connect the town centre and Plassy Island;
 10. Shape the sites outside of the Council's ownership.
- 4.6 The design process is iterative, however, the diagram that was established by January 2019 and shared with Members in February 2019 sets the direction for scenarios that will be developed further.
- 4.7 Member Engagement Workshops
- 4.8 Soon after the Council's framework plan was aligned with the A205 feasibility design plan progressed by TfL, the emerging draft structure plan for the key town centre sites was presented at an All Member briefing on 13th February, 2019. This showed the preferred position of the A205 Road and the subsequent opportunities for shaping places. The presentation revealed the emerging structure plan (street pattern, open space hierarchy, plot outlines) for the town centre study area and focused on the creation of distinct character areas.
- 4.9 On 1st May, 2019 the first workshop was held with Members and focused on the role of civic, retail and open space functions in the town centre core. The key outcome of this session was the indication that a consolidated Council office development was preferred to a dispersed campus. It was felt that not only would this approach concentrate civic and cultural uses together in the heart of Catford, but it would also free up other sites for delivering residential developments as curated places with amenities and other uses that are well integrated at street level and shape the locale's character.
- 4.10 On 3rd June, 2019 a second workshop was held with Members that focused on Housing, Density and Character. A physical model was produced for this session to guide discussion on delivery targets and the need for more homes and affordable homes. A place-led approach to tall buildings and their role in way-finding and framing streets and spaces was explored. Examples of dense, mixed-use places were presented to discuss the amenities that Catford might support.

- 4.11 The outcome of both these sessions is that landscape and public realm design should be ecologically driven. As a result, the Framework design team are producing more studies on ‘functional landscape’ options and these guidelines will be embedded. Also, streets and open spaces should be humanised. The creation of genuinely affordable homes was stated as a priority. The Council is seeking to consolidate its office accommodation to improve efficiencies and bring down maintenance costs, and the key aim is that new facilities benefit the public; the ‘back office’ re-provision will be modest and the focus will be on programming the uses at the base of the building to support town centre vitality.
- 4.12 The emerging proposals will continue to evolve and be tested with the public and local community; public consultation events have taken place in May and June 2019 and the results from this will shape the plans with a view to presenting a draft masterplan to Mayor & Cabinet in October 2019.
- 4.13 TfL & A205 Realignment Update
- 4.14 In the last six months feasibility highway designs were produced for the A205 alignment options. TfL have undertaken traffic, speed and pedestrian surveys and investigated the biodiversity and ecology of the town centre. Possible structural designs for the approach to the bridge over the railway at Catford Bridge station have been assessed. Traffic modelling of the design has begun. TfL have also appointed an urban designer to the A205 feasibility design team to ensure healthy streets objectives are met. Over the coming months TfL are undertaking traffic modelling of the baseline scheme.
- 4.15 Programme Update

Updated list of key dates:

July 2018	Contract awarded for Masterplan
October 2018	SDSC – Masterplan Update and Review
February 2019	Member Briefing on Draft Plan
May, June, July 2019	Member Workshops on Key Topics Public Engagement on Key Topics
October 2019	M&C Report on Framework Plan
November 2019	Public Statutory Consultation begins
January 2020	M&C Approve Masterplan

5. Financial Review & Analysis Update

- 5.1 As part of adopting the masterplan, the Council will need to prove that it is deliverable. We must establish that it is financially possible to deliver the different elements of the masterplan. The viability assessment applies to all current and future land owners including the Council, wholly owned subsidiaries of the council, other organisation or groups of organisations. This includes the elements of the framework being delivered on Council and 3rd party land. The viability process is a high level analysis of the planning framework that utilises industry recognised criteria, established development principles and market assumptions.

- 5.2 At this point, it is important to clarify what the output of the masterplan will be. It sets principles of development in terms of height, massing, street layouts that developers (including the council) will need to follow. The output of any masterplan does not deliver “oven ready” schemes that can be subject to detailed financial analysis; this is a separate and detailed process that will take place as the opportunities identified through the masterplan come through the planning process. It is likely that over time, the opportunities could change from what is set out in the adopted plans, particularly in respect of the use of specific buildings. Therefore the financial work that is being carried out has to be understood in that context.
- 5.3 The workshops that Officers have been undertaking with Members this year in relation to the masterplan have been very useful. This dialogue has helped to narrow down the vast range of potential options into a slightly smaller number. There remains a substantial amount of detailed due diligence work to undertake to better understand the high level financial viability of the plans; and therefore unfortunately we are not in a position yet to present that work to Members.
- 5.4 The master planning exercise undertaken provides scenarios in relation to massing, scale, housing mix, tenure and street layout, all of which will be tested financially. In addition to the financial modelling itself, the viability work also includes:
- Phasing – to understand where and when costs, and value, will occur, and therefore peak debt;
 - Build cost analysis – broad construction cost analysis
 - Housing tenure options – 50% Affordable Housing on Council land, assuming 70% Social Rent and 30% Intermediate; but with a range of other options for private tenures;
 - Market analysis – for residential sales values and non-residential rents and investment yields
- 5.5 In October 2019, Officers intend to present the draft masterplan to Mayor and Cabinet for approval. As part of the work that will lead up to that report and the adoption of the masterplan, Officers are undertaking financial analysis based on the emerging work. This work will be based on broad assumptions rather than detail at this stage. The financial analysis will, as result, be reasonably high level in nature and will be further refined over time through detailed design, phasing options, risk analysis etc. Officers will ensure that this viability work is aligned and agreed with the Planning Directorate.
- 5.6 Prior to the Mayor and Cabinet report in October, Officers intend to present an update to this Committee, both in respect of the draft masterplan, but also in respect of the viability work described above. That update will contain a summary outlining the deliverability of the masterplan from a financial viability perspective as well as the work that sits behind it.
- 5.7 Slightly separate to the viability work testing the deliverability of the masterplan is the question of how the development proposed on Council land could be delivered. As part of the report to Mayor and Cabinet in October, Officers will also set out the key stages and phases of incremental development required to implement the masterplan.

In addition we will also set out some options for consideration, such as how the Council can deliver early elements of the masterplan.

- 5.8 It is key to note the projected timescales of the development. The GDV (Gross Development Value) of the council controlled element will be in excess of £600million over a period of some 15 years. The detail required for the in-depth financial analysis of schemes/elements of the masterplan will be captured at each phase of the delivery process and as those schemes come through planning. However, Officers will still be in a position to set out the broad financial parameters and analysis for Members to consider in October and that will also be presented to this Committee in September.

6. CRPL – Catford Constitutional

- 6.1 CRPL has been exploring options for long term investment in the site and buildings currently occupied by the Catford Constitutional Club. The site is owned by CRPL. Anything being considered will involve retaining the existing pub use and most of the buildings on site.
- 6.2 The condition of the building is has been deteriorating for some years, and continues to do so. Current estimates are in the region of £1.5m just to put the building in a condition to occupy properly; parts of the site have actually been closed off for some years because of this reason.
- 6.3 Parts of the site are locally listed, with a Georgian element (in very poor condition and currently closed off), Victorian element in better condition and a slightly more modern section, both of which are where the current pub operates from. As with any of its buildings, CRPL has been exploring options to secure the investment in and therefore the long term future of the pub, at the same time, securing a long term income stream for CRPL to help support the drop in income as a result of falling rents in the shopping centre.
- 6.4 The wider pub site also has the potential, subject to design, consultation and planning, to provide a small number of homes that could help contribute towards the Council's objective to tackle the housing crisis. With that in mind, three main options were considered:
- 1) Market the building for a long term (25 year) lease and a big rent free period (circa 5-10) years with the onus for a new tenant to invest in the building;
 - 2) Invest in the building ourselves (circa £1.5m) and grant a 5-10 year lease to a new tenant;
 - 3) Explore redevelopment options, each option retaining the existing pub and providing 50% affordable housing
- 6.5 CRPL took the decision that neither Option 1 nor 2 were really that attractive or feasible given, for Option 1 the likelihood of an incoming tenant taking on that liability and Option 2 the length of payback required to make it financially viable for them.
- 6.6 Option 3 gives CRPL the opportunity to redevelop the site, retaining the important Victorian buildings and current pub, and provide social homes which could help contribute to the Council's Social Homes programme. Whilst this is a separate project,

it is being considered alongside the developing Catford Masterplan, so there is also potential to tie it in with the potential redevelopment of Thomas Lane Car Park, subject to approvals and the completion of the Masterplan, which could provide more affordable homes and new workspace.

- 6.7 Being cognisant of the heritage and community affection for the pub, CRPL engaged heritage specialist architects Purcell to design options to give an idea of the likely cost and viability of the project. This work informed CRPL's business plan which went to Mayor and Cabinet for approval in April this year, outlining the intention to develop the proposals further and what the future cost of such a development might be. It's key to note that all of the options being considered include retaining and enhancing the majority of the existing pub, ensuring that whatever development eventually comes forward will see a pub continue to operate on site.
- 6.8 The team are currently working through the detail of a preferred option which can be further discussed with Planners and then fully costed and appraised before, in the first instance, being brought to the CRPL board for initial approval. Given the scale of the potential investment and project, any final decision on whether the project is taken forward would need to be taken at Full Council and would therefore be brought back to Members for them to agree. At this stage, no decision has been made other than to explore the development options further.

7. Financial Implications

- 7.1 There are no financial implications arising from this report.

8. Legal Implications

- 10.1 There are no legal implications arising from this report.

11. Equality Implications

- 9.1 There are no equality implications arising from this report.

12. Environmental Implications

- 10.1 There are no environmental implications arising from this report.

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