

**APPENDIX 3 - REPORT TO EXECUTIVE DATED
22 SEPTEMBER 2003**

LONDON BOROUGH OF BRENT

**MEETING OF THE EXECUTIVE
22nd SEPTEMBER 2003**

FROM THE DIRECTOR OF HOUSING SERVICES

FORWARD PLAN REF: HSG/03-04/

NAME OF WARD(S)

REPORT TITLE: THE SOUTH KILBURN MASTER PLAN

For: Action

Above ☒ **Below** ☐
Confidential Line

1.0 SUMMARY

- 1.1 This report sets out the proposals for the regeneration in South Kilburn in partnership with South Kilburn New Deal for Communities (NDC). It is necessary, at this stage, for the Executive to consider this master plan in the light of the Council's overall statutory obligations and priorities and to further consider and approve officers' recommendations.

2.0 RECOMMENDATIONS

- 2.1 That Members approve the South Kilburn Master Plan framework as a basis for seeking a partner/funding.
- 2.2 That Members note that the obligations suggested in the Master Plan may exceed the resources generated from the net rental stream in South Kilburn and as such the estate has a 'negative value'.
- 2.3 That Members agree to commit £10M over a period of 12 years. The phasing of payments being the subject of a further report in the light of further financial analysis and discussions with the Director of Finance.

APPENDIX 3

- 2.4 That Members authorise the Director of Housing to investigate all possibilities to secure additional funding for the refurbishment of that proportion of the South Kilburn estate, which is anticipated to be retained under Council ownership. In particular authorisation for the Director of Housing to investigate additional funding through a Round 4 ALMO bid and/or an HRA PFI bid.
- 2.5 In light of government policy and the need to maximise external funding, that Members authorise Officers to investigate the possibilities of external funding that may result in solutions that require a proportion of the redeveloped social housing to be owned by a social housing provider other than the Council.

3.0 FINANCIAL IMPLICATIONS

- 3.1 The viability of the scheme is predicated on attracting sufficient financial resources to balance the overall costs of the redevelopment amounting to £305M.
- 3.2 The analysis in Table 1 shows a funding gap in NPV terms of £25M (assuming a £10M contribution from the Council to the scheme). Officers are currently investigating a range of options to redress this gap including gap funding and extended loan periods. The Council may be able to extend the contribution to the scheme subject to clarification regarding prudential borrowing and HIP allocations.

	Costs NPV (£M)	Costs (£M) (Non discounted)
Total Cost of the Scheme	305	586
NDC Contribution	18	18
Brent Contribution (£10M in year 8)	6	10
Funding Required	281	558
Funded by		
Units built for sale (1299)	172	315
Net Rental Income (1534 units)	84	219
Gap Fund	25	24

Note – Excludes the costs of the properties to be refurbished as it is assumed that the refurbishment will be delivered through a separate funding mechanism.

- 3.3 The current proposals include the refurbishment of 715 units on the estate via a separate funding mechanism. The costs of delivering the refurbishment of these homes to a decent homes plus standard in line with the rest of the Councils stock is estimated to be in the region of £30M. This cost is in addition to the £505M for the redevelopment of the remainder of the South Kilburn estate.
- 3.4 The full financial effects are considered in the body of the report and a more detailed financial breakdown in Appendix 2.

4.0 LEGAL IMPLICATIONS

- 4.1 The Council is in receipt of grant money from Central Government via its New Deal for Communities programme and is tied in to various grant conditions as a result of receipt of that grant. The Council is also acting as Accountable Body which means it takes responsibility for paying grant money, auditing those payments and accounting to the grant giver for those payments, and is responsible for repayment if there were a breach of grant conditions. This means the Council could be required to repay significant sums, so its audit processes need to be robust and it needs to be able to control expenditure and ensure it can recover money where possible. Members also need to be aware of the risk to the Council should it not be able to make recovery of money from third parties.
- 4.2 The NDC is a company limited by guarantee, incorporated in September last year when took over responsibility for the running of the New Deal for Communities projects. This company has no trading history and Members must satisfy themselves that it is robust enough to undertake the project and ensure money is properly spent otherwise they would be in breach of their fiduciary duties.
- 4.3 A report to the Executive on 28 April 2003 'New Deal for Communities, South Kilburn transfer of responsibility' agreed a provision to novate the Master Plan contract to the NDC. However, at this stage the Council remains the accountable body and is likely to remain so until the end of the Master Plan contract. As the Master Plan contract is still retained by the Council, the Council retains the responsibility for the delivery of a master plan on behalf of NDC, the commissioning body.
- 4.4 The Master Plan Agreement which governs the provision of Master Planning services for the regeneration of South Kilburn is between The Mayor and Burgesses of the London Borough of Brent and MACE Limited. The Council, as "Client" under the appointment has the benefit of the Contract with MACE and has direct recourse against MACE in the event of any breach, is obliged to make payments to MACE for the provision of the Services, and must abide by the terms of the Agreement.

- 4.5 There is provision under the Agreement for novation to the NDC once the NDC is constituted as a legal entity and therefore able to enter into contracts on its own behalf. The Agreement states that MACE must within seven days of a request to do so enter into a deed of novation, a pro forma which is attached to the Agreement.
- 4.6 To novate would in effect create a new contract between the NDC and MACE for the provision of the Master Planning services on exactly the same terms as the original contract between the Council and MACE.
- 4.7 The deed of novation would make clear the proportion of the fee which had up to that date been paid by the Council (to ensure the NDC do not take on additional or unknown liabilities as regards payment) and the Council would have the additional comfort of a warranty from MACE stating that all of the Master Planning services provided to the Council (i.e. prior to the date of the novation) have been properly performed.
- 4.8 The disposal of the estate held for housing purposed would be under the provision of S32 of the Housing Act 1985 and would require the consent of the Secretary of State. Any existing tenants would have their Right to Buy Preserved and there are specified in the act the uses to which receipts can be put.
- 4.9 Disposals of other land are subject to the provisions of s123 of the Local Government Act 1972 and require land to be disposed of for best consideration unless the consent of the Secretary of State is obtained. There is general consent that permits disposals at an undervalue of up to £2m but the disposal must be for the promotion or improvement of the economic, social or environmental well-being of its area and the Council needs to have regard to its Community Strategy. Members owe a fiduciary duty to their taxpayers and they must consider whether the disposal complies with normal and prudent commercial practices.
- 4.10 Any demolition and rebuilding or property will require planning permission. The grant of such permission will be decided by the Council's planning committee on the planning merits of the application.
- 4.11 The tendering of any contracts for goods or services will need to comply with the Council's Standing Orders and where appropriate European Procurement Rules.
- 4.12 Any variation to the contract between the Council and BHP may require the further consent of the Secretary State under s27 of the Housing Act 1985.

5.0 STAFFING IMPLICATIONS

- 5.1 The regeneration of South Kilburn is predicated upon the transfer of the majority of land and stock to a new delivery vehicle. Brent Housing Partnership currently manages the stock of South Kilburn. Any transfer of stock will impact on the current managers of the stock and therefore it is anticipated that TUPE will apply. The Transfer of Undertakings (Protection of Employment) Regulations 1981 (as amended) ('TUPE') regulate the employment implications of transfers of undertakings or parts of undertakings. Where TUPE does apply, the transferee inherits the employment contracts of all staff assigned to the transferors (in this case the Council's) undertaking or that part of the transferor's undertaking being transferred.

The staff transfer across to the transferee with continuity of employment. Any dismissals by reason of such a transfer are automatically unfair, unless for a technical, economic or organisational reason entailing a change in the work force. Any liability for such automatically unfair dismissals will pass to the transferee along with most other employment related liabilities, even if it is the transferor that actually carries out the dismissals prior to the transfer.

- 5.2 Any stock transfer of this size will have an impact on staffing levels and it is therefore anticipated that TUPE will apply. Current estimates are that the number affected should be under 20 however further information will be presented to members as and when the scheme is approved. It is presently considered that 17 posts within Brent Housing Partnerships will be affected by TUPE at the time of the proposed stock transfer. The successful delivery vehicle will be notified of these posts and be given details of the staff in question. The Council will endeavour to require the delivery vehicle to make the necessary provision for the employment of these staff prior to the completion of the proposed transfer.
- 5.3 The following issues remain to be finalised in respect of TUPE resulting from the possible transfer:
- The extent of employment details to be given by the Council concerning relevant employees.
 - The extent of any warranties / indemnities to be given by the Council concerning such employment details
 - Pension rights and other considerations and benefits associated with public sector employment.
- 5.4 The impact of the transfer of properties, will affect the fee income of BHP and it is important that this is benchmarked against the costs of the successful delivery vehicle.

5.5 The level of resources required to deliver the Master Plan framework from September 2003 will need to increase to cover:

- Managing the delivery vehicle selection process.
- Professional fees to cover implications of stock transfer
- Developing the neighbourhood management model especially the interface between retained properties and new and temporary accommodation issues.
- Developing the link between off-site developments elsewhere in Brent and the redevelopment proposals in South Kilburn.

6.0 IMPACT ASSESSMENT

6.1 The impact upon the residents of South Kilburn will be far reaching. The Master Plan, once agreed by the residents, will be the framework document for the future of South Kilburn and assist the NDC partnership in achieving its objectives. It is likely to affect all residents of South Kilburn in some way.

6.2 The vision that was agreed in the NDC delivery plan is:

A single neighbourhood where people are proud to live, learn and work;

A safe neighbourhood, free from crime and the fear of crime; and

An inclusive and sustainable neighbourhood, which works together to meet the needs of its diverse communities.

6.3 The objective of the Master Plan is to create a framework that will support a sustainable South Kilburn community beyond the next 30 years. It is in essence a practical document that forms the basis of convincing both Government and social housing providers to make a contribution both financially and otherwise to the regeneration of the area. It is intended to incorporate the Master Plan into Supplementary Planning Guidance to provide a Statutory Planning Framework to guide the physical change over the next 20 years.

6.4 Due to the level of community support for the Master Plan and Brent's track record of successfully working with the community and social housing partners on large regeneration schemes, it is likely that a successful ballot will be attained. Nevertheless there is always the possibility that tenants will oppose the scheme which results in an unsuccessful ballot. There is a risk that Government may require repayment of the housing element of NDC (£21M).

- 6.5 The Council is required to meet the Decent Homes Target by 2010 – at this stage it is likely to meet that requirement for the properties that remain within the Council's control. In the event of an unsuccessful ballot, the Council would not be able to meet the decent homes standard by 2010 and would have to consider other options to deal with the housing stock.
- 6.6 One of the guarantees given to local people was that they would be entitled to stay in South Kilburn if they wished to. In order to make this a reality, the Council will need to be flexible in its allocation and re-housing policies. There will be a need to consider a local lettings policy which will address rehousing, allocation and nominations issues. In particular to prioritise the rehousing and decant needs of South Kilburn residents when allocating accommodation in and around the NDC area to introduce the flexibility required to implement the Master Plan.
- 6.7 There may be a requirement need to maximise off-site developments in order to kick start and support the regeneration proposals.
- 6.8 The Council will need to carry out an equalities impact assessment of the Master Plan in order to ensure that ethnic communities in South Kilburn are not adversely effected by any regeneration proposals.

7.0 CONSULTATION

- 7.1 A number of consultation structures were used to assist in the development of the Master Plan incorporating capacity building for tenants (details attached in Appendix 1). A key cornerstone of the Council's involvement in South Kilburn has been, in line with the NDC, to include as many parts of the community as possible. Residents have played key roles in the Master Plan process.

8.0 DETAIL

Background

- 8.1 The Council prioritised regeneration activity in South Kilburn in 1998 when it based a team in the area to work with residents in taking forward regeneration activity. In 1999 the Council agreed that South Kilburn would be the proposed New Deal for Communities area in Brent. Government Office for London endorsed this decision and invited the NDC Partnership to submit a Delivery Plan Bid for NDC resources.

- 8.2 Although at the time the Government's NDC priorities did not include housing, extensive consultation with the community highlighted the fact that improvements to local housing conditions were the residents' top priority. The NDC set up a series of resident led theme groups to take forward the different strands of NDC. The Housing and Built Environment Theme Group prioritised the following objectives:
- provide a range of high quality, affordable and well maintained housing to meet the needs of people in South Kilburn
 - increase tenure diversification and choice for the residents of South Kilburn whilst maintaining the same level of social housing
 - increase satisfaction with the quality of housing services
 - increase satisfaction with the quality of the environment.
- 8.3 A housing and built environment Scoping Study was carried out as part of the Delivery Bid submission. This resulted in preferred approach for a mixture of refurbishment, demolition and newbuild and accepted the need for increased densities as a means of cross-subsidy to fund the scheme. These proposals were worked up together with the NDC's Housing Theme Group and endorsed by the NDC Board, both of which have a resident majority. In May 2001 GOL awarded South Kilburn NDC £50.060m of which £21m was for the housing and built environment elements. The grant covered the cost of commissioning a detailed Master Plan, which once completed will act as a framework to deliver substantial improvements to the community of South Kilburn in terms of not just housing but also health, community safety, community facilities, employment, education and wider social benefits. Masterplanning is a process involving a number of stakeholders, including residents, that aims to identify the issues that need to be resolved in order to meet the NDC objectives and constructs a framework for delivery.
- 8.4 The MACE consortium was awarded the Master Plan contract on 18th February 2002.
- 8.5 It was recognised that although the Scoping Study (that is the initial work carried out in support of the bid) provided a vision for the area, we would need to revisit the preferred approaches in much greater detail. In order to produce a viable planning and financial framework it was agreed to start Phase 3 with a detailed and comprehensive masterplan that would also make a full assessment of any risks involved. It was also essential to substantially expand the community consultation process and to include as many local people as possible.

- 8.6 A series of detailed studies were carried out including a stock condition survey and a household survey. The development of first level spatial planning options, based on the baseline / technical studies explored the potential for different refurbishment and development alternatives. These studies addressed the availability of additional sites and the implications of increased density. Substantial consultation with residents and identified stakeholders was undertaken to achieve consensus from residents and stakeholders and influential third parties before further optioning took place.
- 8.7 Issues that the Master Plan had to take into consideration included: balancing the need to retain the same level of affordable housing, accommodating the draft London Plan density requirements, providing open space and community infrastructure to support both the existing and proposed increased population, mixing the tenures and creating a balanced communities template. It also had to identify a range of funding sources to reduce the reliance on increased density land values.
- 8.8 Consultation with the community in November 2002 showed a small majority who preferred a rebuild rather than a refurbishment approach. The Council, the NDC and the Master Planners were of the view that the level of densities required to make the scheme financially viable within the rebuild approach would not be sustainable or accepted by the local residents. Therefore it was agreed to make representations to GOL for additional funding. The inclusion of external funding enabled a more balanced approach to the redevelopment.
- 8.9 On 8th May 2003 the Master Planners presented a range of different options for the redevelopment of the estate to officials from GOL which were indexed using the alphabet. The Officers from the Government Office for London were positive about the prospects of receiving additional monies from the options presented. Option (G) was considered to be the best fit and it was agreed that the residents of South Kilburn would be presented this base option with a range of sub-options where they will decide as a collective what is best for the area. Option (G) required 1514 units to be demolished and reprovided, 1503 units to be built for sale to contribute to the overall costs and up to 751 units to be refurbished.
- 8.10 Although the initial response from GOL was favourable the Council is still awaiting the results of requests for additional gap funding. The Council is also exploring potential with the Communities Plan of funding from different sources, such as the Single Pot Regeneration programme, ALMO, PFI etc.

Financial Background to the Scheme

- 8.11 The Master Planners constructed a Business Evaluation Model (BEM) that assists in the financial analysis of option G. It is clear from this analysis that the overall costs of refurbishing and redeveloping South Kilburn NDC area exceeds the net income available from the rental stream. Therefore existing resources available to fund the required capital expenditure are insufficient. The approach taken by the master planners in conjunction with other partners/agencies (including Brent Council and the local community) has been to develop a density based solution to the funding shortfall. This approach has the benefit of both meeting general planning policies on urban densities and creating value (through private house sales).
- 8.12 The BEM takes into account the costs associated with temporarily housing tenants off the South Kilburn Estate. As it assumed that there is no reduction in the number of social housing during the construction phase, it is not anticipated that there will be any financial impact to the councils provision of temporary accommodation. However, the Council has included £1M pa in budget to allow for this eventuality. If there is a requirement to provide temporary accommodation the costs of this could range from £20 pw to £150pw.
- 8.13 Concerns were expressed by officers that the scheme was becoming too reliant on density and was ignoring the possibility of external funding through mainstream housing initiatives, i.e. the 'Arms Length Management Programme'.
- 8.14 The financial analysis is based on Option G which assumes that 715 dwellings are refurbished through the ALMO/PFI route bringing about a 'mixed economy solution'. At this stage in the master planning process it is necessary not only to establish the possible call upon the Council's resources, but also the risks contained within the scheme to all involved parties particularly with regard to the ability to raise sufficient funds from private house sales. In addition it is not clear how the parties will effectively manage this risk. It is likely that in the event of insufficient funds resulting from private house sales that fewer social housing units will be built (unless of course the Council commits further resources). Conversely if house sale income exceeds estimates then the opposite will be true.
- 8.15 The Council has estimated that if the estimated funding from sale proceeds are adjusted downwards, by say 17%, then the funding gap increases by £24M. This highlights the significant risks attached to basing the funding of the scheme on private sales.

- 8.16 Officers have been presented with a range of funding options that have different deadlines e.g. Officers will need to express an interest in the ALMO funding route to the ODPM by 24th September 2003 with a full application completed by 31st December 2003. If we are to make the scheme deliverable we would need to have certainty about all of the funding schemes; this poses a practical difficulty if we adopt a multi-funded option with different submission and approval dates. Officers are currently examining the issues associated with these initiatives and in particular whether Government considers one funding option more appropriate for South Kilburn. Essentially the more external funding achieved from external agencies, the easier the Council will have in managing long term risks such as a falling property market and increased expenditure associated with construction costs. It should be remembered that the master plan has yet to be taken to the market and in what form and pricing structure the market will respond.
- 8.17 The ALMO funding route would effectively be an extension to the existing Council's ALMO Brent Housing Partnership whereby the Council if successful would receive funding from ODPM to undertake the necessary refurbishment works. In the case of a PFI route as with the ALMO option, the stock remains in the ownership of Brent Council but the Council instead would enter into a long term management, maintenance and refurbishment contract for a 25-30 year period. The Council would receive revenue support from ODPM over the period of the contract.
- 8.18 Officers and NDC are currently requesting a meeting with the new Housing Minister (Keith Hill MP) and Lord Rooker, Minister for Neighbourhood Renewal to assist in identifying a way forward.
- 8.19 The financial analysis includes all expenditure (capital and revenue) associated with both the redevelopment and the ongoing management and maintenance of the estate. At this stage it is considered prudent that the Council should at least in principle, agree to make a contribution of £10M over the first 12 years of the project to ensure viability. This not only indicates the Council's commitment to area regeneration but will also assist in managing the risks associated with the scheme. However, this will need to be reviewed in the light of both our discussions with central government on additional funding and the response from the market to the master plan.

- 8.20 There are several sites that remain within the Council's non-housing portfolio (Albert Rd Day Centre, the car park at Queens Park station). The sale of these sites will increase the overall capital receipts to the Council. Therefore this along with prudential borrowing will assist in the Council's ability to contribute to the redevelopment. Should the Council approve their disposal, the receipts generated by the sale will be apportioned under Current council Policy. Council Policy is that we sell all assets for best consideration adding to the total resources available to the council, which are then allocated on the basis of need. It is already assumed that any housing stock disposed of the will have a negative value and any discreet disposals will be treated as part of the overall negative value of the stock. It should be noted that the non-housing sites will be required in early phases for potential housing provision to create decant options.
- 8.21 Rent Arrears - The current and former rent arrears of the area is £710K and £403K respectively. The Council's Housing Revenue Account (HRA) fully provides for bad and doubtful debts. Whether these debts 'transfer', for monetary consideration to a successor landlord would be dependant upon negotiations between Brent and the successor landlord.
- 8.22 The Council's HRA Business Plan currently takes into account the possibility of stock in South Kilburn transferring to a successor landlord and the implications of this will be reported when scheme details are more developed. However it is likely to have a significant effect on the Brent Housing Partnership.
- 8.23 Members are reminded that the transfer does not result in a capital receipt to the Council. This is because the cost of the works could exceed that which can be funded from future net rental streams (i.e. tenants rents less running costs). This is known as a 'negative valuation'. The difference will be made up from the Council permitting housing land to be developed for private housing, NDC contribution (£18m), and the Council (£10M) and government/government agency contributions.
- 8.24 The London Housing Board may also affect the delivery of the regeneration proposals as it is the body that recommends to Ministers the distribution of housing resources within the Single Housing Pot in the London region. We will need to demonstrate how the South Kilburn regeneration proposals fit into the regional agenda and the criteria for local regeneration schemes that contribute to sustainable communities. We are in discussion with London Housing Board members regarding our funding requirements.

- 8.25 If we are to make the scheme deliverable we would have to have certainty about all of the funding schemes. This poses a practical difficulty if we adopt a multi-funded option with different dates for government agreement. We are bringing this matter to the attention of ministers in order that they can assist us in this matter.

9.0 DELIVERY VEHICLE AND TIMESCALES

- 9.1 The final master plan framework is expected to be complete by the end of September 2003. It is anticipated that the Council will be using the Communities Plan funding for ALMO/PFI and gap funding. Whatever model is used to deliver the regeneration of South Kilburn the Council will be able to influence the selection criteria such that it ties into the Council's strategic and service objectives. The Council must be satisfied that the delivery vehicle is capable of implementing the master plan framework as agreed by the partners and incorporated into the Supplementary Planning Guidance.
- 9.2 Brent Council's position in relation to the redevelopment of South Kilburn has made clear that it should not result in the loss of social housing a position taken largely due to the homelessness situation within the borough. This mirrors the opinion of the majority of the tenants who themselves wish to remain in South Kilburn.
- 9.3 It is expected that the successful delivery vehicle will take on board the following:-
- Must contribute financially to the overall redevelopment package.
 - Work towards neighbourhood management for the area in line with the NDC and council's objectives.
 - Take on board the Council's and government objectives in diversifying the tenures and managing a very diverse community.
 - Actively engage in promoting liveability issues e.g. health, education, widening participation, employment and improved streetscape and public spaces to reduce crime and the fear of crime.
 - To assist the NDC, the Council and Governments to achieve their overall sustainable regeneration objectives.
 - Fund Outline Planning Application, supported by Transport Assessment and Environmental Impact Assessment, consistent with Supplementary Planning Guidance and Master Plan framework
- 9.4 As the costs of rebuilding and refurbishment are currently beyond the financial resources of both the NDC and the Council, other funding sources need to be identified and different ownership and management options considered. Possible new management and delivery approaches could be:

- Newbuild by and RSL and refurbished units retained by the Council and managed by Brent Housing Partnership
- Transfer to a purposely created community based RSL
- Development of a community land trust to which the ownership of land and all social housing could be transferred

9.5 The timescale to get on a potential delivery vehicle on board is about six months from the completion of the Master Plan framework. The appointment is likely to be April 2004. The successful delivery vehicle will then need to work with the community and partners to deliver an expectations document. This is likely to be produced between January 2005 and March 2005 when it is expected that the council will be balloting residents on the final proposals for the regeneration of South Kilburn. It is likely that any partner RSL would want the security of having an outline planning consent in place prior to any tenant ballot.

10. Background Information

South Kilburn Scoping Study
July 2003 Masterplan Consultation Material
South Kilburn Master Plan files
South Kilburn Master Plan contract
Anyone wishing to inspect these documents should contact:
Robert Johnson, South Kilburn Housing Project Director,
South Kilburn Regeneration Office, 21 – 23 Peel Precinct, Kilburn
London NW6 – 5BS

Martin Cheeseman
Director of Housing Services

Appendix 1 Consultation

A comprehensive range of consultation has been undertaken within the south Kilburn community including Council Tenants including those below:-

- The six NDC theme group meetings (housing and built environment, health, income and employment, young people and education, crime and community safety, widening participation);
- Adhoc meetings e.g. the NDC Board away day, the meetings with the Housing Services Senior Management Team, meetings with Sure Start, meetings with external agencies.
- Consultation days with the Community (June, August, November 2002 and May/June/July 2003).
- Design group meetings in December 2002, January 2003 and June 2003.
- South Kilburn Area Housing Board meetings;
- Tenants and Residents Association meetings;
- Meetings with ward Members
- Master Plan Steering Group – to monitor the master plan contract and to guide its development. The Steering Group which is serviced by the Council's South Kilburn Housing Project Team has a resident majority. Senior officers from Brent Housing and Planning Services also sit on the Steering Group.
- Corporate Support Group – this is a Council which takes an overseeing role on the development of the Master Plan and guides the master planning team on policy issues on a six weekly basis. This group consists Senior Council Directors, the Chief Executive of the NDC and representatives from Mace.
- Third party consultation:
 - 11th September 2002 Youth Services
 - 13th September 2002 SRB
 - 16th September 2002 Crime and Community Safety
 - 24th September 2002 Education
 - 27th September 2002 Social Services
 - 30th September 2002 Finance
 - 4th October 2002 Housing Corporation and GOL
 - 7th October 2002 Legal

10th October 2002 Social Inclusion Unit
20th November 2002 GOL
9th December 2002 GLA
17th December 2002 – Willow Housing
18th December 2002 CABE
21st January 2003 – Social Services Management Team
31st January 2003 – Housing Corporation
18th February 2003 – CABE
21st March 2003 – Barbara Roche MP
23rd March 2003 – Tony McNulty MP
8th May 2003 – GOL
18th July 2003 – CABE
18th July 2003 – GLA

- Consultation with neighbouring authorities took place in July and August and a further round of meetings with CABE, Transport for London and the GLA will take place in September 2003.

The community was consulted on detailed proposals in July 2003 (section 9). 52% of residents provided formal feedback to the consultation. Of these 55% support the proposals as they currently stand and a further 19% support them with some reservations. This compares with 17% of residents who either oppose the plans or expressed concerns. Most of the opposition is focused in two particular areas of South Kilburn including a number of freeholders.

Masterplan Proposals

In order to facilitate residents understanding a series of principles were presented :

- The Master Plan must be acceptable to the majority of residents.
- The Master Plan must be fundable, viable and deliverable
- Where units are demolished, residents will move into better quality units.
- Elderly residents will receive personal care and attention (OT services)
- The majority of residents will be rehoused below the fifth floor, unless they specifically wish to be placed on a higher floor.
- The majority of residents will not need to move more than twice.
- Where properties are being refurbished, residents will get new bathrooms, new kitchens and where necessary new windows as a minimum.
- Leaseholders will be charged for external works but they can opt out of internal refurbishment works.
- Where properties are refurbished, they are likely to stay with the Council (ALMO/PFI option).
- No one has to leave South Kilburn, unless they wish to – even leaseholders/freeholders will be assisted to stay in South Kilburn

- (through an equity swap/transfer).
- Residents will receive at least the same space standards or better (for demolished units).
 - Residents in newly built properties will have access to a communal garden or a balcony – if they do not have access to a private garden space.
 - There will be at least 5 new resident activity units for TA's
 - New Community facilities/Shops/Live-work units and Sports facilities will be added.
 - Open space, health and education facilities to support increased population

The following properties were identified for demolition:- Austen House, Blake Court, Bond House, Bronte House, Cambridge Court, Carlton House (part), Craik Court, Crone Court, Cullen House, Dickens House, Durham Court, Ely Court, Exeter Court, Fielding House, Gloucester House, Hampton Close, Hereford House, Hicks Bolton House, John Ratcliffe House, Malvern Rd (even numbers), Masefield House, Neville Close, Neville House, Peel Precinct, Stafford Close, Stuart Rd, Wells Court, Winterleys, Wood House, Wordsworth House and Zangwill House.

The following properties were identified for refurbishment:- Allington Rd, Cambridge Rd, Chamberlayne Mansions, Chichester House, Chichester Rd, Claremont Rd, Kilburn Lane, Malvern Rd (odd numbers), Princess Rd and The Quadrant.

The following properties were seeking residents views as to what they would wish to happen to their properties (whether to refurbish or rebuild):- Alpha House, Carlton House (1-40, 41 – 64, 69 – 96 and 129-139), Canterbury Court, Gorefield House, Marshall House, William Dunbar House and William Saville House.

Following the positive consultation results, refined approach/options based on these proposals will be taken back to the residents in October 2003. The NDC Board and the Council will then be required to endorse the final masterplan.

Appendix 2

Financial Breakdown of Scheme

	Total Costs (£M) (Not Discounted)
<i>Capital Costs</i>	
Demolition and New Build of Homes	295
Environmental	39
Fees	40
<i>Revenue Costs</i>	
Maintenance	32
Decanting Rehousing	10
Leasehold/ Freehold purchase	26
Leasehold Purchase Equity Gap	34
Management	64
VAT & Fees	2
<i>Other Costs</i>	
Replacement of Albert Road Day Centre	3
Health and Educational Facilities/ section 106	5
Community Facilities	15
Car Parking	15
Acquiring Land	5
Legal fees etc.	1
TOTAL COSTS OF SCHEME	586