

Stratford Metropolitan Masterplan Supporting Document: Carpenters Estate Options Appraisal

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Appendix 1: Carpenters Estate Options Appraisal

1 Introduction

- 1.1 Through the process of developing the masterplan, a variety of different options for the Carpenters Estate have been developed and appraised in an iterative process leading to a preferred option. This paper summarises the main options and the factors in favour of the recommended preferred option.
- 1.2 All options acknowledge and build on the current position. The state of repair and the extensive costs of refurbishment have prompted the council to decide to decant Dennison Point, Lund Point, James Riley Point and 28-74 and 80-86 Doran Walk with a view to likely redevelopment. To date the Council has rehoused around half the households from Lund and Dennison Points and almost all those in James Riley Point.

2 Assessment criteria

- 1.2 The Council has consulted with residents at appropriate points in the process and always made clear that the preferred option would be determined based on the following three factors:
 - ***The Council's broader vision & objectives for Stratford.*** This relates to how options for Carpenters would meet the Council's vision and objectives for Stratford as set out in the Development Framework and derived from Council policies including the Council's Sustainable Community Strategy, the Mayor's Strategic Aims and the Newham Economic Development Strategy. A detailed appraisal of the main options considered against 19 key objectives is contained in the Sustainability Appraisal (Appendix 8).
 - ***Stakeholder and public consultation.*** The Consultation Report (Appendix 4) provides full details of the response of Carpenters residents to the various proposals.
 - ***Financial viability.*** The high level Delivery Plan (Exempt Appendix 3) contains full details of the results of initial financial appraisals of development options for Carpenters. While the appraisal figures themselves cannot be released on the basis that could prejudice negotiations with development partners, this options appraisal includes conclusions from the report while excluding the detailed figures.

3 Process of options development and appraisal

- 3.1 At least three different sets of options for Carpenters have been developed and tested as part of an iterative process to develop a preferred option. The options set out in Section 5 below concentrate on the main formal options that have been discussed with residents and/or appraised through the Sustainability Appraisal or Delivery Plan processes.
- 3.2 In practice the options shown in Section 5 were not all developed or appraised at the same time. The first options developed were Options c and d which were consulted on as part of a public consultation exercise in summer 2010, including a specific consultation at the Carpenters Fun Day on 24th July. Carpenters residents made clear their opposition to both of these options, and their support for keeping the community together and any new development being family-focussed housing. The Council took resident concerns on board as the more detailed masterplanning work progressed and developed further options that would address resident concerns while still achieving the wider

vision and objectives of the Council (options c, f, g, h and i). In addition, 'do little' and refurbishment options were added to the financial viability testing which followed the summer consultation to ensure a comprehensive set of options. Further consultation took place with Carpenters resident on the most financially viable of these options (f, g, h and i) with the resident steering group and at a drop-in session on 24th/25th November 2010 before selection of the preferred option.

4 Carpenters consultation responses

- 4.1 The 'Stakeholder and Public Consultation' column in the options appraisal in Section 5 includes figures from a number of consultations undertaken with Carpenters residents. The percentages refer to responses to the formal public consultation in summer 2010 to which over 140 Carpenters Residents responded. Other figures are from a questionnaire completed at a Carpenters Fun day on 24th July 2010 and the Carpeneters drop-in event held on 24th & 25th November. Both of these are less significant given the much smaller numbers responding.

5. Options appraisal

Red = Negative, Amber = Neutral/Mixed, Green = Positive

Option	Description	Appraisal against			Conclusion
		The Council's broader vision & objectives for Stratford (see Sustainability Appraisal Report for Options)	Stakeholder and public consultation (see Consultation Report)	Financial viability (see Delivery Plan)	
a. Do nothing / do little	A range of 'do little' options was considered including stopping the decant and doing nothing at all, clearing the block and leaving empty or clearing the blocks and demolishing. Note that these options are referred to as Options A, B and C in the Delivery Plan.	Significant loss of social housing. Poorer environment and increased fear of crime. No regeneration benefits.	Never offered to residents as an option as rejected due to other factors, however the majority of Carpenters residents have rejected all redevelopment options presented so may support this.	Significant negative return plus risk of failing to complete decant due to lack of grounds for CPO	Rejected – financially unviable and fails to deliver on vision/objectives.
b. Refurbishment	Given that James Riley Point is nearly empty and in the worst repair of the three towers, an option was considered for demolition of James Riley Point alongside refurbishment of Dennison Point and Lund Point. Note that this option is referred to as Option D in the Delivery Plan.	Retention of most existing social housing (if publicly funded) No contribution to realising vision and objectives for Stratford.	Never offered to residents as an option as rejected due to other factors, however some support expressed at TMO Steering Group meetings and in questionnaire returns for refurbishment	Significant investment required (estimated at £50m). Unaffordable for Council or GLA/HCA. Private investment unlikely and would require complete change of tenure to mainly private housing.	Rejected – financially unaffordable and limited contribution to vision/objectives.

<p>C. Mixed-use redevelopment of the tower sites</p>	<p>This option was included in the formal public consultation document issued in summer 2010. The option was referred to as 'replacing the existing three towers and some of the estate housing with a mixture of homes, educational or community facilities, offices and green space'. No detailed plans exist for this option.</p>	<p>Could provide similar number of homes depending on use mix but mainly flats so less likely to offer stable, balanced community. Net loss of social housing as new build would have mixed tenure. Retains existing community living in the houses. Poor estate layout issue remain although routes, links and open spaces improved. Contribution to economic development objectives through mixed-use development.</p>	<p>Only 18% of Carpenters residents surveyed liked or strongly liked this option and 77% strongly disliked it. Exactly half of respondents who are not Carpenters residents supported this option.</p>	<p>No detailed testing as rejected due to resident response, but likely to be less viable than residential development of tower sites (see options e & h below) in current market as viability testing suggests commercial and educational uses generate negative returns.</p>	<p>Rejected – Poor financial viability and opposition from residents.</p>
<p>d. Mixed use redevelopment of the majority of the estate over time</p>	<p>This option was included in the formal public consultation document issued in summer 2010. The option was referred to as 'redeveloping more or all of the estate to provide sites for more homes, educational or community facilities, offices and a local park' and 'making Carpenters a core part of the town centre'. No detailed plans exist for this option.</p>	<p>Could provide additional homes depending on mix but replacement of houses with flats so less likely to offer stable, balanced community. Breaking up of existing community. Strong contribution to economic development objectives through mixed-use development. Higher quality environment, better walking routes, reduced opportunities for crime, better local services. New buildings with higher sustainability levels.</p>	<p>Only 14% of Carpenters residents surveyed liked or strongly liked this option and 80% strongly disliked it. All of the 16 people responding to the fun day questionnaire supported the principle of 'preserving the community' which this option would not do. 61% of respondents who are not Carpenters residents supported this option.</p>	<p>No detailed testing as rejected due to poor performance against other appraisal criteria but appraisals that were undertaken of other options clearly demonstrate that in the current market high density and mixed use schemes are less financially viable than lower density residential schemes.</p>	<p>Rejected – Very strong opposition from residents, poor financial viability and mixed delivery against vision/objectives</p>

<p>e. High density redevelopment of tower sites for housing</p>	<p>Demolition of the three tower blocks and replacement with high rise apartments along with a range of improvements to the estate such as an improved green space and new entrance to Stratford Regional Station. Referred to as Option 1 in the Sustainability Appraisal Report and the Delivery Plan.</p>	<p>Substantial additional housing (over 650 additional homes) but all flats so less likely to offer stable, balanced community. Retains existing community living in the houses. Carpenters remains a 'housing estate' rather than a neighbourhood and poor estate layout issues remain although routes, links and open spaces improved. No contribution to economic development.</p>	<p>No formal consultation on this option, but residents' rejection of option c and the fact that 14 out of 16 respondents to the fun day questionnaire supported the principle of 'family focused homes to replace towers' suggests that there would be limited support among Carpenters residents for this option. Responses to options c and d from people who are not Carpenters residents suggest that they would prefer wider regeneration of the estate.</p>	<p>Generates a substantial negative return. Financially unviable without around £70,000 of public subsidy per affordable unit.</p>	<p>Rejected – Financially unviable without levels of grant that are unlikely to be available in next few years and unpopular with residents.</p>
<p>f. Phased redevelopment as residential neighbourhood</p>	<p>Phased redevelopment of the whole estate and adjacent industrial areas as a low-medium rise residential neighbourhood, maintaining the existing community, better integrated with adjacent residential areas and offering improved routes through the area, new community facilities and an improved local park. Referred to as Option 2 in the Sustainability Appraisal Report and the Delivery Plan¹ and consulted on as Option C in Carpenters drop-in session 24th/25th November.</p>	<p>Strong contribution to creating stable and balanced communities as will deliver around 900 additional homes in a mix of housing types including high proportion of family homes and will allow existing residents to stay in the area and support 'right of return' for tenants decanted from towers. Higher quality environment, better walking routes, reduced opportunities for crime, better local services. New buildings with higher sustainability levels plus increased densities nearest station encouraging sustainable travel. Improved arrival experience in Stratford and routes to Olympic park.</p>	<p>Despite this options being developed specifically in response to concerns of Carpenters' residents, neither the TMO Steering Group nor most other residents attending the recent drop-in session appear willing to consider any option. Only 3 out of 37 respondents to the November drop-in 'liked' or 'strongly liked' this option. 22 out of the 37 respondents simply selected 'Strongly Dislike' to all options suggesting a complete distrust of any proposals from the Council. Residents of existing low rise properties generally do not want to move home even within the estate.</p>	<p>Generates a positive financial return at each stage suggesting it would be viable without public subsidy. Phased approach would allow progression to subsequent phases when market conditions allow.</p>	<p>Strongest option – Strongest contribution to Council vision / objectives and financial viability. Meets concerns of residents to stay in the neighbourhood, although residents still opposed on basis of disruption involved.</p>

¹ Note that there are minor differences between the schemes shown in the Sustainability Appraisal and the Delivery Plan because the scheme was adjusted slightly to improve financial viability as part of the development appraisal process.

<p>g. Phased redevelopment as residential neighbourhood with mixed-use zone</p>	<p>As option f but with higher density mixed use development incorporating commercial, educational or other uses in the final phase of development nearest Stratford Station (area North of Wilmer Lea Close). Referred to as Option 3 in the Sustainability Appraisal Report and the Delivery Plan and consulted on as Option C in Carpenters drop-in session 24th/25th November.</p>	<p>Similar to option f with marginally less contribution to stable and balanced communities (still around 900 additional homes but a lower proportion of family homes) but stronger contribution to economic development objectives and efficient use of land through mixed-use development close to transport hub.</p>	<p>As for option f (this was presented as a variation on the same option)</p>	<p>Generates the same positive financial return for the first phases but in current market conditions would generate a significant negative return in the final (mixed use) phase. With that phase at least 10 years away, there is potential for significant improvement in the market for commercial development in Stratford which could make the final phase viable.</p>	<p>Acceptable option - stronger than option f in terms of vision/objectives but only financially viable with significant market shift so accepted only as an alternative to be considered when approaching the final phase of option f.</p>
<p>h. Low density redevelopment of lower sites and adjacent industrial areas (Phase 1 of Options f and g)</p>	<p>The first phase of options f and g above involving demolition and redevelopment of Lund Point, James Riley Point, Rowse Close industrial area, Carpenters Arms Public House and the TMO building, to be replaced with a mixture of terraced houses, flats and maisonettes. No additional homes would be demolished in this option other than those already identified for demolition. Tested within the Delivery Plan as Phase 1 of the preferred option and consulted on as Option A in Carpenters drop-in session 24th/25th November.</p>	<p>Loss of social rented homes. Restricted 'right to return' for decanted tenants. But does provide high proportion of family housing. Carpenters remains a 'housing estate' rather than a neighbourhood and poor estate layout issues remain although routes & links improved a bit e.g. Carpenters Road. Poor contribution to environment, crime reduction, local services or economic regeneration.</p>	<p>This option best meets the stated wishes of Carpenters residents such as the desire to retain the low rise housing, keep the community together and the principle (supported by 14 out of 16 respondents to the fun day questionnaire) of family focused homes to replace towers. Nevertheless, at the November drop in session only 10 out of 37 respondents 'liked' or 'strongly liked' this option, although 22 out of the 37 respondents rejected all options.</p> <p>Among those 12 people who were willing to support one or more option presented at the drop-in, this was the most popular option.</p>	<p>Generates a modest positive financial return and removes the ongoing liability surrounding the towers.</p>	<p>Acceptable option – viable option that meets resident wishes best although still rejected by residents. Weak contribution to vision/objectives.</p>

<p>i. Phased redevelopment south of Wilmer Lea Close as residential neighbourhood (Phases 1 & 2 of Options f and g)</p>	<p>The first and second phases of options f and g above involving phased redevelopment of the southern half of the estate as a low-medium rise residential neighbourhood with new community facilities.</p> <p>Tested within the Delivery Plan as Phase1 & 2 of the preferred option and consulted on as Option B in Carpenters drop-in session 24th/25th November.</p>	<p>Good contribution to creating stable and balanced communities as will deliver small number of additional homes in a mix of housing types including high proportion of family homes and will allow existing residents to stay in the area and support 'right of return' for tenants decanted from towers.</p> <p>Some contribution to environmental quality, walking routes, crime reduction, local services but no local park, no new route to station, poor use of land nearest station and no contribution to economic development.</p>	<p>At the November drop in session only 5 out of 37 respondents 'liked' or 'strongly liked' this option, although 22 out of the 37 respondents rejected all options.</p>	<p>Generates a substantial positive financial return</p>	<p>Acceptable option – viable option that balances resident wishes against broader vision/objectives although would leave very low density housing isolated closest to station surrounded by modern development.</p>
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6. Preferred option

- 6.1 Phased redevelopment of the whole estate and adjacent industrial areas as a low-medium rise residential neighbourhood (**option f**) is selected as the preferred option based on best meeting the three criteria with the potential to switch to mixed use development for the final phase (**option g**) should market conditions support this.
- 6.2 The first phase of development (**option h**) should be embarked on as soon as possible as it would remove the ongoing liabilities arising from the three towers currently being decanted. The Council has insufficient funding available to pursue a 'do little' option.
- 6.3 Should market conditions or other factors change, the Council could choose to stop at any phase of the development process (i.e. end on option h or i).
- 6.4 No economically viable option has been identified that a majority of respondents from Carpenters have supported, indeed there has been a campaign to encourage residents to reject all options presented.
- 6.5 The decant programme means that many residents of the three tower blocks have already moved out of the estate and others who know they will have to move soon are less interested in the future of the estate, so increasingly those responding to consultation exercises are those living in the low rise properties, many of whom are freeholders or leaseholders. These residents will gain least from redevelopment in terms of their personal housing circumstances (they will be offered like for like properties in the new development, albeit new for old), they will not benefit from the enhanced right to return created by greater redevelopment and they will suffer from significant upheaval and disruption.
- 6.6 Nevertheless, the recommended preferred option offers a balance between achieving the Council's broader vision and objectives for Stratford (including high quality homes, jobs, environmental quality, community facilities and walking and cycling routes) and resident concerns to keep the community together in a family-oriented low-medium rise neighbourhood.

