

## **Future Brixton: Somerleyton Road Project**

### **Project Team Update – March / April 2013**

#### **What's the purpose of this update?**

The purpose of this paper is to provide people who are interested in Somerleyton Road with an update on the latest discussions taking place between the Council, Ovalhouse and Brixton Green.

#### **What's happened since the Council workshops?**

In January and February 2013 the Council organised a series of workshops to discuss the Somerleyton Road Project. A number of local individuals and organisations were invited to attend and to participate. Information on these workshops can be found at: [Somerleyton Road Project: Council Workshops](#).

Since the last workshop in February, two key things have happened:

- i) The Council, Ovalhouse and Brixton Green have formed a Project Team that now meet on a weekly basis;
- ii) Social Life (part of the Young Foundation) have been commissioned by Brixton Green to run a series of themed workshops which will feed into a report to Cabinet;

The Project Team has been set-up to lead on taking the forward the project through to procurement of a development partner and subsequent delivery of a completed development. The Project Team has invited other individuals and representatives to attend some meetings. This will continue through the life of the project. The Project Team will review all the information captured from the various workshops and other sources. From these sources of information the intention is that the Project Team will compile a list of outputs which we would want to see delivered, subject to overall project viability, as part of the project. If the Project Team does not include a particular point raised at one of the workshops then the Project Team will seek to justify why this couldn't be included.

The latest feedback from the Social Life workshops can be seen [here](#).

The intention is to organise an event on the 2<sup>nd</sup> May where we will feedback on where the project is and from there a report will be prepared and taken to Cabinet in July 2013 for a decision.

#### **What has the Project Team been discussing?**

- a) Procurement and Delivery Strategy

As mentioned, later this year a report will be taken to Cabinet with a recommendation as to how best to take forward the Somerleyton Road Project.

This report will include a recommendation as to how we procure a delivery partner (i.e. someone to build the new homes, theatre etc) and who will own and manage the various parts of the development in the future.

As a public authority the Council is limited in the options that can be used to procure a development partner. The Council must follow EC Procurement Regulations and the Council's own procurement policies.

In terms of the **Procurement** we are looking at three different options:

- Competitive dialogue;
- Restricted procedure;
- London Development Panel (procured using the restricted procedure);

A meeting has been arranged to discuss which procurement option is most suitable for this project. The meeting will be between the Project Team, the Greater London Authority (who has set up the London Development Panel) and both our Legal and Financial advisors for the project.

The key considerations will be to ensure that the proposals from the bidders capture the aspirations of the local community and deliver the list of outputs (levels of affordable housing / sustainability targets etc) which have come from the workshops. The Council will also be considering the length of time the procurement process takes and the cost to both the Council and the bidders.

In terms of the Delivery Strategy a separate paper is being prepared setting out the preferred approach for the project and this will be made available on the Future Brixton website.

#### b) Social Life Workshops and 2<sup>nd</sup> May Event

The Project Team spent time discussing the Social Life Workshops; agreeing the dates, the themes to be discussed, the 'experts' to invite and how the conversations will be captured and fed into the list of outputs which will ultimately be presented to Cabinet.

The Project Team also discussed the logistics of the event on the 2<sup>nd</sup> May 2013.

#### c) Long Term Stewardship and Business Plan

Brixton Green has been tasked with preparing an options paper on different ways in which the local community can play a long term stewardship role in any development which takes place on Somerleyton Road. Whether this be managing the homes, the commercial space or the community space or some other function.

Social Life is running a specific series of workshops on this theme and that will feed into Brixton Green's paper.

Running in tandem with this options paper, will be a Business Plan which will demonstrate how such a community body could be funded and what some of the non-residential uses should be. Initial proposals include a chef's school, a Co-op with a pharmacy and a local radio station.

d) Carlton Mansions and the Mural

The Project Team reaffirmed that the Mural and the façade of Carlton Mansions would be protected and renovated as part of this project.

The re-housing of residents in Carlton Mansions will be managed by the Council's short-life tenancy team and this issue is not connected to this project however the Project Team feel it is important that these residents continue to participate in discussions over potential future uses of the building.

e) Project Viability

The Somerleyton Road Project will require a development appraisal to see whether the overall development proposal is financially viable. This does mean that it will not be possible to meet all of the aspirations for the site.

The basic assumption is that this project has to be self-funding and therefore everything on the list of outputs will have to be paid for in some way. Ovalhouse, for example, will be contributing the value of their current site in Kennington, along with any fundraising and public grants they can secure, to the cost of building the new theatre.

The first development appraisal will be completed on the 10<sup>th</sup> April and this will be based on the scheme developed in the Council workshops. Once that initial appraisal is completed we can start looking at different scenarios; these would include:

- Varying the mix between private and affordable;
- Varying the type of affordable i.e. target rents vs affordable rents;
- Ownership of the affordable i.e. Council owned or Housing Association;
- Private units sold or used as private rent;

A note will be prepared on all the various scenarios run.

### **What happens next?**

Social Life Workshops	Finish end of April 2013
Event – Windrush Square	2 <sup>nd</sup> May 2013
Report to Cabinet	July 2013
Start procurement of delivery partner	August 2013