

EARLS COURT REDEVELOPMENT

**APPENDIX 5 - ANALYSIS OF CONSULTATION
RESPONSES**

September 2012

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1.0 INTRODUCTION

- 1.1 From 6 January 2012 to 12 March 2012, the Council undertook a formal consultation with residents on whether the West Kensington and Gibbs Green Estates should be included in the proposed comprehensive redevelopment of the Earls Court area. This formal consultation also satisfied the requirements of section 105 of the Housing Act 1985 in relation to the secure tenants on the Estates.
- 1.2 A total of approximately 30,000 information packs were distributed to the Estates and across the wider area (defined by Hammersmith Road to the North, Fulham Palace Road to the West, New Kings Road to the South and Warwick Road and Finborough Road to the East). At Annex 1 is the feedback form that was provided to residents as part of the information pack.
- 1.3 The economic appraisal looked at 4 options for the Estates:

Table 1 – Economic Appraisal options

Option	Detail
Option 1	Maintain the Estates as they are. This could include a transfer to a housing association, or a resident-controlled private registered provider.
Option 2	Continue to maintain the Estates and develop plots of land within the Estates.
Option 3	Redevelopment of the Estates only (not as part of the comprehensive redevelopment plans). The existing properties on the estate would be demolished and replaced with new housing and other supporting uses.
Option 4	Inclusion of the Estates within the Earls Court redevelopment scheme.

- 1.4 1,612 responses were received from residents, together with a lengthy response from the West Kensington and Gibbs Green Tenants and Residents Associations ('the TRAs'), and a response from Andy Slaughter MP in the form of a letter of objection dated 12 March 2012. This Appendix provides an overview and analysis of these responses, together with the representations that have been made following the Cabinet Report of 23 April 2012.
- 1.5 There was no support amongst consultees for either Option 2 or Option 3. Overall, opinion was sharply polarised between those who supported the Council's proposal (i.e. Option 4) and those who objected to it, many of whom were themselves in favour of the Stock Transfer Option (under Option 1). After stripping out e.g. duplicate responses (see paragraph 2.2 below), 634 consultees (45%) supported the Council's proposal, whilst 660 (47%) objected to it, 32 (2%) raised concerns and the remaining 79 (6%) were neutral. 570 consultees (41%) supported the Stock Transfer Option (i.e. 86% of those who objected to the Council's proposal were in favour of the Stock Transfer Option). These results are presented in greater detail below.

2. THE RESPONSES RECEIVED

- 2.1 The feedback form asked residents for their name, address, gender and age. Tick boxes allowed people to indicate whether they lived on the Estates or in the wider area. Estate residents could indicate whether they were a secure Council tenant, a

tenant of Family Mosaic, a tenant of Shepherd's Bush Housing Association, a London & Quadrant tenant, a leaseholder, a freeholder, private tenant or "other".

2.2 1,612 individual responses were received. These were processed as follows:

- Where a resident was found to have submitted more than one identical response only one such response was counted.
- A number of residents submitted two or more responses which contained conflicting opinions. Where the dates of the responses were clear, the latest in time was counted. In some other cases it was possible to tell which was supposed to be the final response by the comments made (e.g. some forms explicitly stated "I have changed my mind..."). In a very small number of cases it was not possible to gain a clear understanding of the consultee's ultimate view, and these responses were not counted.
- Responses were not counted if no name or address was provided.
- Responses from children under 12 were not counted (see paragraph 2.8 below).

2.3 This process reduced the total number of responses leaving a total of 1,405, which was then used for the statistical analysis.

2.4 Over the entire consultation area:

- Approximately 30,000 properties were sent the consultation materials
- 1,405 responses were received, which gives rise to an overall response rate of 4.7%

2.5 On the Estates:

- 760 properties were sent the consultation materials
- 779 responses were received from 516* properties

Table 2; consultation responses from the Estates, broken down by tenure

	Secure council tenant	Family Mosaic	SBHA	L&Q	Lease holder	Free holder	Authorised occupants, PSL & TOL / Private sector
Properties	531	42	7	9	132	39	
Responses	497**	59	13	12	74	26	98***

* Responses were received from 68% of properties across the estates. Many properties included responses from a number of members of the household.

** Not all secure council tenanted properties responded. Many Council tenanted properties sent in multiple responses whilst a significant number did not respond at all.

*** Responses include residents who live with Council tenants, private sector tenants who are renting from leaseholders and freeholders.

2.6 In the wider consultation area (excluding the Estates):

- Approximately 29,240 properties were sent the consultation materials
- 626 responded, which is a response rate of 2%

2.7 The overall response rate of approximately 5% is average for this type of mass mail-out. As the figures above show, there was a very much higher response rate from the Estates than from the wider area.

2.8 Responses from children

2.8.1 538 responses were delivered to the Council by a delegation from the TRAs. Of these, 98 were from children. All objected to or raised concerns about the Council's proposal. The consultation materials that were sent out did not specify a minimum age for consultees, as it was not anticipated that children as young as 4 would fill in feedback forms (e.g. by drawing pictures). Officers have decided that, not least given the relative complexity of the issues raised in the consultation, it is reasonable to set a minimum age of 12 for the purposes of determining whether a response should be counted as part of the overall statistical analysis.

Table 3; responses from children

Age	Number of responses	Number of households at issue	Adult responses from the same households
4 – 11 (not included in results)	46	31	45
12 – 17 (included in results)	52	44	73

2.8.2 Some households submitted multiple responses. This is especially pronounced in households where children completed feedback forms. For instance, the above table shows that 44 properties were responsible for 125 of the responses that were counted (i.e. almost 9% of the total number of responses).

3. VIEWS ON THE COUNCIL'S PROPOSAL

3.1 The feedback form asked questions in an unguided way. Officers have therefore had to use judgment to divide the responses into sensible categories for the purposes of the overall statistical analysis. The following categories have been used:

Table 4 - Categories

SUPPORT	Where the response clearly stated support or was clearly positive about the Council's proposal
OBJECT	Where the response clearly stated opposition or was clearly negative about the Council's proposal
CONCERN	Where the response did not state clear opposition or clear support, but instead merely expressed concern about an

	element of the Council's proposal
NOT ENOUGH INFO / NEUTRAL	Where the response did not give enough information to be included in any of the above categories, or clearly stated that the consultee was neither for nor against the proposal

3.2 The 1,405 responses break down as follows:

Table 5; Residents' views on the Council's proposal

	No of responses	% (following re-checking)	% in 23 April 2012 report
Support	634	45%	43.7%
Object	660	47%	48.5%
Concern	32	2%	4%
Not enough info / Neutral	79	6%	3.9%
TOTAL	1,405	100%	100%

3.3 An interim analysis was presented to the Cabinet on 23 April 2012. Since that date officers have re-checked their analysis and this has resulted in some relatively minor variations to the figures. The final column in Table 5 above shows (for comparison) the old figures that were presented to the Cabinet in April. The re-checked and old figures break down as follows.

Table 6: Comparison of April and current figures

	Estate		Wider Area	
	Support		Support	
	Actual	23 April 2012 Cabinet Report	Actual	23 April 2012 Cabinet Report
	171	175	463	448
	Opposed		Opposed	
	Actual	23 April 2012 Cabinet Report	Actual	23 April 2012 Cabinet Report
	592	584	68	108
	Concerned		Concerned	
	Actual	23 April 2012 Cabinet Report	Actual	23 April 2012 Cabinet Report
	4	25	28	32
	Neutral		Neutral	
	Actual	23 April 2012 Cabinet Report	Actual	23 April 2012 Cabinet Report
	12	21	67	34
Total	779	805	626	622

3.4 The above shows that both the support for the comprehensive redevelopment in the wider area and the opposition to the comprehensive redevelopment from the Estates are somewhat higher than originally presented.

3.5 Overall, marginally more consultees objected to the Council's proposal than

supported it, and a modest majority either objected to it or raised a concern about it. The majority of the responses from the wider area were supportive, whilst on the Estates themselves the majority objected.

- 3.6 There was an active campaign by the TRAs to encourage residents to respond. As part of this campaign a pre-typed feedback form was produced for use by residents (see Annex 2), and a similar (although not identical) suggested text for the feedback form was also circulated in a leaflet (see Annex 3). Both objected to the Council's proposal (and expressed support for the Stock Transfer Option).
- 3.7 As has been noted, a delegation from the TRAs delivered 538 responses to the Council. All of these objected to the Council's proposal (and expressed support for the Stock Transfer Option). The responses fell into two categories:
- Responses where consultees had signed the pre-typed text or copied out the suggested text in the leaflet;
 - Responses where consultees had signed the pre-typed text and had in addition added in their own hand-written comments.
- 3.8 Among residents on the Estates, there was less objection to (and greater levels of support for) the Council's proposals from residents of the high-rise blocks as compared with residents of the low-rise blocks.

Table 5; Views of residents on the Estates by type of property

Response	High-rise		Low-rise		Total	
	nos	%	nos	%	Nos	%
Support	99	35%	72	14%	171	22%
Object	172	61%	420	85%	592	76%
Concerned	3	1%	1	>1%	4	>1%
Not enough info given / neutral	8	3%	4	1%	12	2%
TOTAL	282	100.0	497	100.0	779	100.0

- 3.9 Based on a desk top analysis of housing need low-rise blocks are more likely to be under-occupied than high-rise blocks, and high-rise blocks are more likely to be over-occupied than low-rise blocks. In addition, residents in low-rise blocks are more likely to be in houses with gardens and are more likely to have their own off-street parking. Officers consider that these differences may in part explain the difference between the responses for high-rise and low-rise blocks.
- 3.10 570 consultees supported the Stock Transfer Option. This amounts to 41% of all the consultees who submitted responses.

Table 6; Responses that supported the Stock Transfer Option

Tenure	Total
Council Tenant	351
Family Mosaic	58
SBHA	13
L&Q	11
Leaseholder	28
Freeholder	18
PSL, TOL, private tenant other	55

Wider area	36
Total	570

- 3.11 97% of those supporting the Stock Transfer Option did so in an assisted or part-assisted response (that is, a response that at least incorporated the pre-typed text, or made use of the wording in the TRAs' leaflet). Only 3% of those indicating a preference for the Stock Transfer Option did so without using either the pre-typed text or the wording in the TRAs' leaflet.
- 3.12 The relevant statement in the TRAs' pre-typed response was, "*I want the estates to be transferred into the ownership and management of West Ken & Gibbs Green Community Homes (WKGGCH).*" The suggested text in the TRAs' leaflet was similar.

4. SECURE TENANTS' VIEWS ON THE COUNCIL'S PROPOSAL: THE SECTION 105 CONSULTATION

- 4.1 Section 105 of the Housing Act 1985 required the Council to inform its secure tenants of its proposals and give them an opportunity to make known their views on the proposals. The secure tenants are those persons who are parties to the various tenancy agreements that have given rise to secure tenancies. In the case of joint tenancies, all the persons so named will be secure tenants. Of the 584 secure council tenants, 324 responded (equating to a response rate of 55%). Therefore 45% of the secure tenants who were able to express an opinion did not do so.

Table 7; Secure tenants' views on the Council's proposal

Response	Total	
	nos	%
Support	103	32%
Object	213	66%
Concern	1	0
Not enough info / Neutral	7	2%
TOTAL	324	100.0

- 4.2 For completeness, officers also analysed the responses by all persons who defined themselves as secure Council tenants in their feedback form. The results are shown in the following table.

Table 8; Responses from people who defined themselves as secure Council tenants

Response	Total	
	nos	%
Support	111	22
Object	372	75
Concern	2	>1%
Not enough info / Neutral	12	2
TOTAL	497	100.0

5. ANALYSIS OF THE RESPONSES FROM INDIVIDUAL RESIDENTS

5.1 This section addresses the issues raised in the responses by individual consultees.

The issues have been arranged under 7 'themes':

Theme 1 - Inclusion of the Estates in wider Earls Court redevelopment

Theme 2 - Redevelopment opportunities for the wider area

Theme 3 - The offers to tenants and leaseholders / freeholders

Theme 4 - Consultation / balloting the Estates

Theme 5 - Reasons for wanting to stay / move

Theme 6 - Transport and local facilities

Theme 7 - New housing

5.2 After Theme 7, various miscellaneous issues are identified and addressed.

Theme 1: Inclusion of the estates in wider Earls Court redevelopment

This theme comes directly from Question 1 in the feedback form, which aimed to capture comments on the overall proposals for the Earls Court Opportunity Area and whether it should include the Estates.

Question 1: “What are your views on the council’s proposal to include the estates within the redevelopment scheme?”

5.3.2 This was the question which most respondents engaged with and it gave rise to the clearest set of responses.

5.3.3 This was the question which most respondents engaged with and it gave rise to the clearest set of responses.

5.3.4 The main issues arising are arranged below under the following headings:

- Objections from the Estates
- Support from the Estates
- Objections from the wider area
- Support from the wider area

Theme 1 - Inclusion of the estates in wider Earls Court redevelopment

	Objection/Support	Point Made	Quotes	Officers' Response
1.	<p>Objections from the Estates</p> <p>592 residents from the Estates objected to the Council's proposals.</p> <p>These objections principally fell into 2 categories.</p>	<p>a) The need to preserve an established community</p>	<p><i>“I object very strongly to the Council’s proposals to sell and demolish the West Kensington & Gibbs Green estates. The community is well established.”</i></p> <p><i>“I oppose the Council's scheme as I do not believe it is beneficial to any of the residents. It's not fair to ask people who have been living</i></p>	<p>It is clear that the preservation of the community and neighbourhood were important to residents of the Estates.</p> <p>The Council was already aware that this is an important issue for residents, as it has been a key concern raised throughout the consultations undertaken with the estate residents over the past three years. Recognising this concern, the Council has developed a proposal which aims to keep the community together, and has tried to mitigate any disruption to the community, neighbourhood and existing support networks as much as possible. However, the Council acknowledges that there will be some disruption that it is unable to mitigate or avoid.</p> <p>The council’s proposal includes the following measures to help preserve the</p>

			<p><i>here for a long time to just move like that, kicking them out of their homes”</i></p> <p><i>“Well it is not good for the other people who live in this estate to move because they have a flat that is good for them”</i></p>	<p>community:</p> <ul style="list-style-type: none"> - Ensuring that the redevelopment replaces all existing properties on the Estates and that new homes are built before residents have to move, ensuring that residents do not have to move out of the area, and only have to move once. - Ensuring that phases are large enough to allow for a substantial number of residents (approximately 200) to move together, so as to keep local support networks intact. - Attempting to ensure that, when allocating new homes, residents who want to remain neighbours can do so.
		<p>b) Condition of the Estates</p> <p>A significant number of residents are happy with their current homes and the condition of the Estates.</p>	<p><i>“Both estates are in good condition. I value my home and this neighbourhood and I want the council to respect my wishes. There is no justification for demolishing our homes, for forcing residents to move, or for selling the land for redevelopment.”</i></p>	<p>Whilst the Council are glad that there is a high level of satisfaction on the Estates, the Council believes that the redevelopment and the provision of new homes would only increase residents’ satisfaction.</p> <p>According to the Council’s survey analysis the Estates will need £60m of investment over the next 30 years. This places a large economic strain on the Housing Revenue Account. The Council believes that it is far more beneficial for residents and the Council if the Estates are included in the redevelopment scheme and new properties are provided to modern standards which will be more efficient and cheaper to maintain.</p> <p>Data from Housing Benefit and Council Tax Benefit claims in 2011 indicates that 14.9% of homes on the Estates are overcrowded, and 16% of homes on the Estates are under- occupied. This means that many residents are in the wrong sized home – either under or over occupying. The proposal allows the Council to tackle this issue, and ensure that the new homes are built to meet the needs of residents.</p>
2.	<p>Support from the Estates</p> <p>171 residents from the Estates supported the proposal.</p>	<p>a) Opportunities offered by the redevelopment</p> <p>Some residents welcomed the opportunities offered by the regeneration plan.</p>	<p><i>“Good plan – one that can not be missed. Good opportunity for everyone in the area.”</i></p> <p><i>“Best thing that could happen for Fulham and the estates.”</i></p> <p><i>“I want it to happen. I think it will do the area good, more</i></p>	<p>The Council notes that there is support from the Estates from residents who saw the redevelopment as a way of creating new opportunities for the community.</p> <p>The Economic Appraisal estimates that the proposal will deliver jobs through new commercial opportunities (over 9,500 new jobs) and from increased construction work (36,033 person years). It is also assessed that the proposal will generate £99m per annum for the local economy. The Economic Appraisal is considered in more detail in Section 6 below.</p>

Reasons for support principally fell into four main categories.		<i>jobs, happier people.”</i>	
		<i>“Good opportunity for future generations.”</i>	
	b) Desire for new homes Supportive residents welcomed the opportunity to move to a newly built home and expressed dissatisfaction with the condition of the estate buildings and communal areas.	<i>“Yes please I would like new homes for our kids”</i> <i>“The prospect of swapping a one-bedroom flat that is beginning to show its age with hopefully a two-bedroom new apartment is most welcome.”</i> <i>“I feel the redevelopment is a positive thing as the estates itself is not in good condition and need to be updated for the next generations to come.”</i>	The Council has noted the desire for new homes from residents living on the Estates. The Council’s proposal involves the re-provision of 760 council homes, funded by the redevelopment, and the construction of approximately 740 additional affordable homes. This offers the opportunity to give residents new homes that meet their present needs and - through increasing housing choice - helps ensure that the future housing needs of the community can be met. The Gibbs Green estate is over 50 years old and the West Kensington estate is approximately 40 years old. Despite decent homes work over recent years, the design and condition of the estates are showing their age.
	c) Improved living conditions as soon as possible Residents were impatient to have improved living conditions and wanted them as soon as possible.	<i>“I have lived in Desborough House for twenty years the scheme is very good the sooner the better I want to get out.”</i> <i>“Yes, pull down, want to go now”.</i>	The Council understands that residents are impatient to see improvements and impatient for the Council to make a decision as to whether to include the Estates in the wider redevelopment plans. The Council has wanted to fully understand the comprehensive redevelopment proposals and involve residents in the development of its own proposal, before making a final decision. Should the Council take the decision to enter into the CLSA, then the Council will ensure that clear development timescales are communicated to residents on a regular basis.
d) Tackling crime and Anti Social Behaviour (ASB) Residents supported the opportunity to tackle crime and ASB through redesigning the entire neighbourhood.	<i>“No other (comments) than express my expectation that the redevelopment will benefit the community by having significant reduction in crime in West Kensington/Earls Court area”</i>	Many perceived the Estates as the source of crime and ASB. Local data shows the Gibbs Green estate to have had the highest levels of crime and ASB of any estate in the borough over the last 3 years. It will be a planning requirement that the proposals for all sites in the redevelopment area be designed in consultation with the Crime Prevention Design Advisor from the Metropolitan Police. In addition, the CLSA requires all re-provided homes to be certified as “Secure by Design” by the Association of Chief Police Officers. As a result, council officers consider that the redevelopment will be a safer environment for the community	

				than the existing Estates and, in particular, will be more effective in minimising ASB.
3.	<p>Objections from wider area</p> <p>There were 68 residents who objected to the proposal from the wider area.</p> <p>These objections fell into two main categories.</p>	<p>a) Disruption during construction</p> <p>Many residents raised concerns about disruption caused by the construction citing concerns over dust, noise pollution and construction traffic.</p>	<p><i>"I am concerned... for the impact the extended construction will have on residents and businesses of the surrounding area."</i></p>	<p>The Council accepts that disruption will be caused during the construction process. The Council will not be able to mitigate these effects this entirely, but it will work with the developer and residents to minimise any disruption.</p> <p>To ensure that disruption is minimised for estate residents, the council has ensured that a number of mitigating measures are included in the proposed CLSA and within the tenant and leaseholder/freeholder offers developed with residents. A number of these measures have been the direct result of earlier consultations with residents.</p> <p>Mitigating measures for estate residents include:</p> <ul style="list-style-type: none"> - Residents having one move only from their current home, to their new home. - All contractors must be registered with the considerate contractors scheme. Contractors registered with this scheme must comply with its reasonable requirements to avoid unnecessary nuisance. - The phasing process set out in the CLSA ensures that when a phase within the Estates is proposed for redeveloped, the Developer will need to produce a Phase Impact Assessment. This assessment will include a number of strategies that explain how the estate will continue to function as a place to live whilst that phase is developed. This will include how all utility services will be maintained and how safe vehicular and pedestrian access will be maintained on the estate, as well as how security of the estate will be maintained. The Council will not agree to the phase unless they are satisfied that disturbance and disruption to existing estate residents has been minimised. - The Council will try to ensure that, during the building work, any vacant land that becomes available is used in creative ways for the good of the community. - The Council will publish regular newsletters to keep estate residents informed about the construction and redevelopment process and timescales. The Council will ensure that there are clear points of contact at the Council and with the Developer so that any issues regarding disruption and construction can be

				easily raised, and dealt with. The planning process will also place restrictions on the developer to ensure that the disruption caused by the construction is minimised and that the respective contractors comply with their statutory and contractual obligations.
		<p>b) Affordable housing</p> <p>Some residents felt that low income households would be “priced out” of the area</p>	<p><i>“do not take account of poorer residents being priced out”</i></p>	<p>760 new homes will be developed for the council to replace the existing homes on the Estates which will be demolished. The mix of the new homes has been designed according to housing need. Council tenants will have secure tenancies with rents calculated in the same way as other secure tenants across the Borough. It is anticipated that a further 740 additional affordable homes would also be developed (the final figure will be determined through the planning process). This significant increase in affordable housing units will increase the housing choice and options for residents in the Borough. It will provide greater opportunities for families wanting to own their home in the area. At present there are currently over 4,000 residents on the home buy register.</p>
4.	<p>Support from the wider area</p> <p>463 residents from the wider area supported the Council's proposal.</p> <p>Reasons for support fell into three main categories.</p>	<p>a) The appearance of the Estates</p> <p>Residents expressed a desire to see the area transformed and described the Estates as “an eyesore” etc.</p>	<p><i>“West Kensington estate is an ugly scar in the area”</i></p> <p><i>“Definitely include the estate – it will really smarten up the area & attract new business – the estates let the area down at the moment”</i></p>	<p>The Council believes that its proposal will deliver a high quality development which will bring about significant physical improvements across the comprehensive redevelopment area.</p>
		<p>b) Tackling crime and ASB</p> <p>Residents supported the opportunity to tackle crime and ASB through redesigning the entire neighbourhood.</p>	<p><i>“The housing estate needs to be rejuvenated. It’s currently an inhospitable ‘no go’ area that is frightening and dangerous and generates a lot of vandalism, theft and dog faeces for the surrounding area.”</i></p>	<p>See the comments under Theme 1, Point 2(d) above.</p>
		<p>c) Creating a new cohesive neighbourhood</p>	<p><i>“An opportunity to remove architecture associated with</i></p>	<p>The Council notes this support for the creation of a more cohesive neighbourhood.</p>

		<p>Some residents from the wider area embraced the opportunity to create a cohesive neighbourhood, saying that they currently perceived the Estates as “separate” and felt that the regeneration would be “disjointed” if the Estates remained as they were</p>	<p><i>social disadvantage that must not be wasted.”</i></p> <p><i>“I think the inclusion of the estates is <u>essential</u> in order to achieve a more homogenous community. At present the area’s communities are in separate pockets that do not interact – this is not healthy”</i></p> <p><i>“I think it makes sense to create housing that is better suited to using the space and creating buildings that build social cohesion.”</i></p>	<p>The Council believes that the comprehensive redevelopment plans will provide a mixed, balanced and sustainable community across the redevelopment area.</p> <p>A number of residents from the wider community saw the opportunity for the wider integration as a positive way for people to live together in a more socially cohesive way. The Council believes that this can be supported by the provision of the community infrastructure that will be part of the redevelopment, such as the new healthcare provision and schools etc.</p>
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Theme 1 Conclusion

The consultation shows strong support for the inclusion of the Estates from the wider community (at a ratio of 7:1). The consultation has also shown that on the Estates the ratio of opposition to support for the Council's proposal is close to 4:1. When only secure tenants are included the ratio is approximately 2:1.

Theme 2: Redevelopment opportunities for the wider area

This theme arises directly from Question 2 in the feedback form, which sought comments on the vision for the area and the master plan described in pages 4 – 5 of the information pack.

Question 2: “Are there any further comments you want to make about any aspect of the development?”

Issues raised under this theme fall into 13 main categories. The issues and the number of residents that raised them can be found in the table below.

Theme 2 - Redevelopment opportunities for the wider area			
	Point Made	Quotes	Officers' Response
1.	<p>Support for the Stock Transfer Option, in the form of a transfer of housing stock to West Kensington and Gibbs Green Community Homes (WKGGCH).</p> <p>570 residents (of whom 184 were secure tenants on the Estates) indicated a preference for a stock transfer to WKGGCH.</p>	<p><i>“I want the Council to exclude the West Kensington and Gibbs Green estates from the redevelopment proposals for the Earl’s Court Opportunity area all together. I want the estates to be transferred into the ownership and management of West Ken & Gibbs Green Community Homes (WKGGCH)”.</i></p>	<p>As noted in paragraph 5 above, this was the only other Option that was supported by those who participated in the consultation. As such, it is addressed in detail in the main Cabinet Report.</p>
2.	<p>Support for the creation of jobs / economic regeneration in redevelopment area</p> <p>Amongst those who supported the Council’s proposal, this issue was the most frequently cited. 43 residents raised it.</p>	<p><i>“This is clearly a once-in-a-lifetime opportunity to bring jobs, new housing and massive investment to a run down part of the borough”</i></p> <p><i>“My feelings are overwhelmingly positive. This redevelopment will ensure the transformation of our area for the better. We cannot allow this not to happen”</i></p>	<p>In the light of the Economic Appraisal, officers believe that the Council’s proposal will generate new jobs and employment opportunities (see also Theme 1, Point 2(a) above). The Appraisal is considered in more detail in Section 6 below.</p>
3.	<p>Concern over the disruption during construction</p>	<p><i>“I am concerned... for the impact the extended construction will have on</i></p>	<p>Please see response to Theme 1, Point 3(a) above.</p>

	33 residents raised this issue.	<i>residents and businesses of the surrounding area.”</i>	
4.	<p>Supportive and impatient to see improvements</p> <p>21 residents raised this issue. The responses in question demonstrated an impatience to see improvements to the area.</p>	<p><i>“Get on with it”,</i></p> <p><i>“As soon as possible”,</i></p> <p><i>“Get cracking”</i></p> <p><i>“The quicker the better would like to see it in my lifetime”</i></p>	<p>The Council understands that there are a number of estate residents and residents of the wider area who are supportive of the redevelopment scheme but are impatient for the redevelopment to take place.</p> <p>Before the Council could make a decision on the inclusion of the Estates in the comprehensive redevelopment scheme, that Council had to fully understand the benefits and implications of this large scale project, assess whether this is the best option for the Estates, engage with residents to understand their views and negotiate the best possible deal for estate residents, local residents, businesses and the Borough as a whole.</p> <p>Should the redevelopment go ahead it is anticipated that the whole project will be delivered over a 20 year period, with the replacement homes for estate residents being provided within a 10-15 year period.</p> <p>Like the residents who raised this issue, the Council is keen to ensure that the development progresses quickly so that new homes and improvements to the area are delivered as early as possible. Indeed, the Council has negotiated a number of provisions within the CLSA that should help encourage EC Properties to progress the redevelopment as quickly as possible. This includes a provision that enables the Council to terminate the CLSA if within 10 years of it being signed, EC Properties has not provided the Council with 50% of the required replacement social rent housing.</p>
5.	<p>Would like the quality of local shops to improve</p> <p>Responses on this mentioned the poor state of current shops and requested a wider range of shops. The area around West Kensington Tube was cited as being in particular need of improvement.</p> <p>19 residents raised this issue.</p>	<i>“It would be great to have better shops with more choice to shop”</i>	<p>The Council has noted residents’ comments on the need to improve the quality and range of shops in the area.</p> <p>The Council believes that the inclusion of the Estates in the comprehensive redevelopment will encourage economic growth in the local area and will increase the quality and range of shops that are available.</p>

<p>6.</p>	<p>Would like to preserve North End Road Market</p> <p>North End Road Market was mentioned almost as often as shopping and retail generally. The market area was cited as both looking run down and as being an important source of fresh fruit and vegetables.</p> <p>18 residents raised this issue.</p>	<p><i>“North End Market : this is vital to our domestic economy – both the market and the cheap shops. They must not be priced out and must (esp the market) be retained & protected”</i></p> <p><i>“Please ensure we still have a fruit and veg market!”</i></p>	<p>The Council has noted residents’ comments on the North End Road Market and has passed these comments on to the Planning Authority.</p>
<p>7.</p>	<p>Would like to see green spaces preserved or improved</p> <p>There were requests to retain existing green spaces and to include new areas of green space within the redevelopment.</p> <p>17 residents raised this issue.</p>	<p><i>“Lots of green park for each new development”</i></p> <p><i>“the reason I want this is green park”</i></p> <p><i>“my further concern is that not enough attention has been given to the green areas and sustainability.”</i></p>	<p>The Council has noted residents’ comments on the green spaces and has passed these comments on to the Planning Authority</p> <p>If the comprehensive redevelopment goes ahead then existing green spaces will not be retained. However the scheme will include an increased number of new green spaces.</p> <p>The amount of open space provided will be dictated through the planning process. The current planning application proposes :</p> <ul style="list-style-type: none"> - 2.97 hectares of publicly accessible green space (including a park and 3 garden squares) - 2.43 hectares of publicly accessible civic space (squares at West Kensington, West Brompton, Earls Court and around the Empress State building) - 2.175 hectares of play space
<p>8.</p>	<p>Concerns about crime / ASB</p> <p>Responses in this category mentioned current issues with crime and ASB and supported the opportunity offered by the redevelopment to reduce</p>	<p><i>“I just hope the new development where I’m proud to show my friends with no loud music or anti social behaviour”</i></p>	<p>See the comments under Theme 1, Point 2(d) above.</p>

	opportunities for crime and ASB. 16 residents raised this issue.		
9.	Support for the provision of new community facilities Responses in this section included requests for youth provision, a gym and a multi-faith centre. 16 residents raised this issue.	<i>“they needs schools & places to play”</i> <i>“A good idea to smarten up area and improve facilities”</i>	The Council has noted residents’ comments on the new community facilities. The Council believes that the proposal will deliver significant new community facilities for the local area. These includes an integrated health hub, leisure facilities, a primary school, cultural facilities and new public open space. The precise nature and make-up of the community facilities will depend in part on the planning process. Residents’ comments on this point have been passed to the Planning Authority.
10.	Support the improved layout and access in the redevelopment scheme 12 residents raised this issue.	<i>“Looks like big improvement for crossing railway tracks - safe and pleasant alternatives to Lillie & Talgarth. Need a lot of thought as to where bikes and cars go when they reach Warwick Avenue”</i>	The Council has noted these comments and has passed them on to the Planning Authority. Should the comprehensive redevelopment proceed the planning process will ensure that the design meets current access standards.
11.	Support for the redevelopment as a means of improving the perception of the area 12 residents raised this issue.	<i>“Very good idea, plans look well thought out and will be a great addition to the area”</i>	The Council has noted these comments and has also passed them on to the Planning Authority.
12.	Desire to ensure that local education and health facilities meet demand 16 residents raised this issue.	<i>“Extra strain on local infrastructure (GPs, schools, hospitals, etc). I can see the need for all the changes.”</i>	The Council has noted these comments and has passed them on to the Planning Authority. Should the comprehensive redevelopment proceed the planning process will ensure that the necessary educational facilities and resources are provided to support the needs of the community.
13.	Support for improvement to the public realm 8 residents raised this issue.	<i>“We are delighted to see the proposals for the north/south 'bondway' + 'green' ground level passage”</i> <i>“The reason I want this is the green park / waterway. (This) is a fantastic idea”</i>	The Council has noted these comments and has passed them on to the Planning Authority.
Theme 2 Conclusion			
A large number of estate residents supported the Stock Transfer Option. This option is considered in the main Cabinet Report.			

Some residents supported the economic benefits that the redevelopment will bring in terms of both new housing and economic growth for the area. Some residents were impatient to see the improvements, asking the Council to 'get on with it'. However, there were concerns raised about the potential disruption during construction.

There were a number of comments made regarding facilities used by the community, on topics such as green spaces, shopping facilities, and general public realm improvements. These will be considered primarily through the planning process, should the proposal for the redevelopment proceed.

Theme 3: The offers to tenants and leaseholders / freeholders

This theme was mainly drawn from responses to Question 3 in the feedback form, which sought comments on the offers to tenants and leaseholders / freeholders that were included with the information pack ('the offers').

Question 3: “Are there any comments you want to make on the tenant and leaseholder / freeholder assurances issued with this document?”

Issues raised under this theme fall into 5 main categories. The issues and the number of residents that raised them can be found in the table below. The Council has also drafted an 'Interim Statement' on the Local Lettings Plan which underpins the key commitments that have been made to residents in terms of lettings and compensation. The 'Interim Statement' is included as an appendix to the Cabinet report, and the Plan will be developed in consultation with residents.

Theme 3 – The offers to tenants and leaseholders / freeholders			
	Point Made	Quotes	Officers' Response
1.	<p>New Homes</p> <p>The new homes that would be provided by the redevelopment opportunity were mentioned by 344 residents.</p> <p>11 residents were positive about the prospect of new homes, 11 residents were negative and the remaining 322 were neutral on the new homes offer.</p>	<p><i>“Good opportunity for future generations”</i></p> <p><i>“The only concern I have is that when we are re-housed within the redevelopment that the rents is going to be affordable and reasonable as they are now”</i></p>	<p>The Council's proposal offers the opportunity to deliver approximately 7,500 new homes to the area, of which approximately 740 will be additional affordable homes. As there are currently approximately 4,000 residents on the Council's Home Buy register, waiting to purchase an affordable home in the Borough, the Council believes that the provision of these additional affordable homes is necessary to ensure that residents have greater housing opportunities and choice.</p> <p>The Council also believes that the re-provision on the new homes for estate residents offers the opportunity to build new homes to meet residents' needs, tackling issues such as overcrowding and under-occupancy on the Estates.</p>
2.	<p>Clarity of the offers</p> <p>390 residents (of whom 107 identified themselves as secure tenants) demonstrated an understanding of the offers by referring to elements of them in</p>	<p><i>“As tenants we would like guarantees rather than assurances though most of us are confused by what the Council wish to offer us. This misunderstanding should be made right as a first priority in the future plans”</i></p>	<p>The Council notes that a significant number of residents were pleased with the clarity of the offers, but that some wanted further clarity.</p> <p>Officers believe that the offers that were included in the information pack are sufficiently clear. However, should the Council decide to proceed with the proposal, the Council will be engaging further with residents. Specifically, Re-housing Officers will hold one-to-one meetings with residents to address any</p>

	<p>their responses.</p> <p>53 residents (of whom 22 identified themselves as secure tenants) thought that the offers were clear.</p> <p>26 residents (of whom 3 identified themselves as secure tenants) were concerned about the clarity of the offers.</p>		<p>concerns and ensure that residents fully understand the Council's proposal. This will provide a further opportunity for questions about the offers to be answered.</p>
3.	<p>Adequacy of the offers</p> <p>The adequacy of the offers was mentioned by both residents from the Estates and from the wider area.</p> <p>793 residents (of whom 227 identified themselves as secure tenants) referred to adequacy of the offer.</p> <p>82 residents (of whom 20 identified themselves as secure tenants) were supportive of the level the offer.</p> <p>629 (of whom 192 identified themselves as secure tenants) objected to the level of the offer. Of the objections, 507 (80.6%) were assisted or part-assisted responses.</p>	<p><i>"I think the tenant offer is good"</i></p> <p><i>"The tenant assurance explained seems reasonable if practised as stated"</i></p> <p>The TRAs pre-typed response said; <i>"Given the £100 million the Council hopes to make by selling off the land where I live, the Council's 'offer' is very poor. Most of the 'assurances' are only what the council is obliged to do by law, and there are so many qualifications it's impossible to say how much compensation will be paid for loss of gardens, parking, etc"</i></p>	<p>The offer to tenants on the Estates has been developed by the Council with the assistance of estate residents. The Council believes that the offer is fair and goes beyond the statutory minimum.</p> <p>Officers have compared the offers to those of other London estate regeneration schemes. Overall, the offers exceed those being made to residents in comparable London projects by some margin. (See Annex 4 – comparison of offers to residents of redevelopment estates across London.)</p> <p>The Council is, of course, a not-for-profit organisation. The bulk of the £105m purchase price will be available to be reinvested in the Borough, for the benefit of all local residents.</p> <p>The Council has noted that tenants of the housing associations were largely unsatisfied with the offer that applies to them. The Council is currently in talks with the housing associations and will ensure that the terms of the offer are made clear to housing association tenants.</p>
4.	<p>Whether the Council will deliver the promises made in the offers</p>	<p><i>"The council never keeps its promises"</i></p>	<p>The Council notes that a significant number of residents do not trust the Council to deliver its promises and recognises the need for further work to build a trusting relationship with residents and demonstrate that the Council is committed to and</p>

	<p>452 residents (of whom 141 identified themselves as secure tenants) referred to the Council's ability to deliver the offers.</p> <p>260 residents (of whom 65 identified themselves as secure tenants) were neutral, had no opinion or did not give enough information for officers to assess what their opinion was.</p> <p>182 residents (of whom 74 identified themselves as secure tenants) objected as they doubted the Council's ability to deliver the offers, or doubted that the Council intended to deliver the offers.</p>	<p><i>"I don't think the assurances are true. They must be false"</i></p> <p><i>"Assurances are mere puffs in the wind"</i></p> <p><i>"the council's promises are like a pie crust, easily broken"</i></p> <p><i>"I don't believe your promises"</i></p>	<p>capable of delivering the offers.</p> <p>Officers are nevertheless confident that the Council has taken all necessary steps to ensure that it will be able to deliver the offers. For example, the Council has offered to enter into a legal contract with each secure tenant, and each leaseholder/freeholder on the Estates, to ensure that the Council will deliver on its promises.</p> <p>The Council has also ensured that the CLSA is structured so that the promises to residents can be delivered. Most significantly, land will only be passed to EC Properties (in phases), once EC Properties has built new homes (within the redevelopment area) for the residents to move into.</p>
<p>5.</p>	<p>Future Affordability</p> <p>Residents raised concerns about future rent levels and the affordability of the new homes.</p> <p>338 residents (of whom 90 identified themselves as secure tenants) mentioned future affordability</p> <p>260 residents (of whom 65 identified themselves as secure tenants) were neutral, had no opinion or did not give enough information for officers to assess what their opinion was.</p>	<p><i>"I am concerned because the cost of rents will increase"</i></p> <p><i>"Housing for young people at an affordable rate with a view to a purchase"</i></p>	<p>The offer to secure tenants includes a commitment that rents in the new homes will be calculated in the same way as secure council rents across the Borough.</p> <p>Resident homeowners raised specific concerns about affordability, saying they would not be able to afford to buy a new home in the local area. However, the offer to resident homeowners makes clear that they will not be expected to increase the borrowing on their mortgage in order to afford a home in the new development. In addition to the offer of the value of their property plus 10% (up to a maximum of £47,000) resident homeowners will be offered an additional 10% discount on a new property in the redevelopment site. Furthermore, the resident homeowners will have their service charges capped at a maximum of £1,000 per annum for 5 years.</p>

	182 residents (of whom 74 identified themselves as secure tenants) were concerned about future affordability.		
Theme 3 Conclusion			
The consultation identified the offers as a key area of feedback. Residents commented on the clarity and adequacy of the offers, and on the ability of the Council to deliver them, as well as on future affordability. Residents also requested further information.			

Theme 4: Consultation / balloting the Estates

The assisted or part-assisted responses from 534 residents (of whom 184 were secure tenants) raised various issues regarding the adequacy of the consultation. The issues raised were as follows

“The council has breached its own policies by not consulting with our tenants and residents associations.”

“The Council should communicate through our elected representatives, the TRAs and WKGGCH.”

“I want the council to agree to be bound by the results of an independent ballot of tenants and owners on the estates as to whether the estates should be demolished. I want the right to vote on my future.”

The first and third issues were also raised in the TRAs’ response, and are addressed in Section 6 below. Officers consider that there is no substance to the second issue. It was appropriate for the Council to correspond directly with residents (both in the Estates and in the wider area) regarding the consultation.

Theme 5: Reasons for wanting to stay / move

Many residents expressed a preference to stay in their current home. Others expressed a preference to move to a newly built home.

Issues raised under this theme fall into 16 main categories. The issues and the number of residents that raised them can be found in the table below.

Theme 5 – Reasons for wanting to stay / move			
	Point Made	Quotes	Officers' Response
1.	<p>I want to stay in my current home because of the length of time I have lived there</p> <p>86 residents raised this issue. 62 of these residents identified themselves as secure tenants.</p>	<p><i>"I have been here for over 30 years"</i></p>	<p>The Council understands that moving to a new home will be difficult for some residents, especially those that have lived in their property for a long time.</p> <p>The Council has tried to ensure that disruption for residents is minimised, ensuring that secure tenants and resident leaseholders and freeholders will be offered a new home in the redevelopment area and that they will only have to move once.</p>
2.	<p>I want to stay in my current home because of my garden</p> <p>77 residents raised this issue.</p>	<p><i>"I think it is very bad to take these (garden & car parking) away from me"</i></p>	<p>The Council appreciates that residents are concerned about losing their gardens.</p> <p>If the redevelopment goes ahead the Council will receive 75 houses and 66 duplex properties which will all have gardens. Residents who currently have gardens will have priority for these new homes. However, there will overall be a loss of around 48 gardens as a result of the redevelopment.</p> <p>The Council will offer compensation to those residents who currently have a garden but who are not allocated one in the new redevelopment.</p>
3.	<p>I want to stay in my current home because of my parking space</p>	<p><i>"I have a parking space very important to me"</i></p>	<p>Currently, estate residents enjoy significant parking opportunities on the Estates. The Council recognises that parking is a particular concern as in all likelihood the number of parking spaces for estate residents will be</p>

	<p>66 residents have stated that they do not wish to move because they are concerned about losing their car parking space.</p> <p>97% of those who raised this issue are from low-rise blocks. (Residents in the low-rise blocks are more likely to have a private parking space.)</p>	<p><i>"we will lose parking privileges"</i></p>	<p>reduced if the redevelopment goes ahead.</p> <p>Parking spaces within the new development will be allocated to estate residents who are re-housed with the development. The total number of parking spaces within the new development will be determined by the relevant planning policies, but it is likely to be approximately 456 car parking spaces.</p> <p>The Council's Housing and Regeneration Team will develop a parking allocation policy to ensure that the parking spaces that are re-provided to the Council are allocated in a fair and transparent way. The Council will ensure that the policy prioritises blue badge holders, and residents who need a parking space for disability or health reasons.</p>															
4.	<p>I want to stay in my current home because of my neighbours</p> <p>159 residents raised the issue of not wanting to move because of their good relations with existing neighbours and community.</p>	<p><i>"Don't destroy our well established community"</i></p> <p><i>"I don't want to miss all my neighbours"</i></p>	<p>Please see response to Theme 1, point 1(a) above.</p>															
5.	<p>I want to stay in my current home because of the good space standards / concern over space standards in the new homes</p> <p>18 current estate residents were concerned about the size of rooms in the new homes and whether they would be as big as their current homes.</p>	<p><i>"I have concerns about the size of properties"</i></p> <p><i>"We want the new home to be the same space"</i></p> <p><i>"I am very worried about the size of my new home"</i></p>	<p>The properties on the Estates were built to Parker-Morris standard and are relatively spacious. All replacement homes would be built to the Mayor's Design Guide space standards (this is a minimum standard bought in by the Mayor to ensure that all new homes are built to a reasonable space and size standard).</p> <p>The Mayor's Design Guide space standards are roughly equivalent to Parker-Morris space standards. In some cases, they are superior. For example, the figures for flats are:</p> <table border="1"> <thead> <tr> <th>Home Type</th> <th>Parker Morris</th> <th>Mayor's Design Guide</th> </tr> </thead> <tbody> <tr> <td>1 bed 2 person</td> <td>44.6 m²</td> <td>50 m²</td> </tr> <tr> <td>2 bed 4 person</td> <td>69.7 m²</td> <td>70 m²</td> </tr> <tr> <td>3 bed 5 person</td> <td>79.0 m²</td> <td>86m²</td> </tr> <tr> <td>4 bed 6 person</td> <td>86.4 m²</td> <td>99 m²</td> </tr> </tbody> </table>	Home Type	Parker Morris	Mayor's Design Guide	1 bed 2 person	44.6 m ²	50 m ²	2 bed 4 person	69.7 m ²	70 m ²	3 bed 5 person	79.0 m ²	86m ²	4 bed 6 person	86.4 m ²	99 m ²
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<p>6.</p>	<p>I want to stay in my home because it is relatively new</p> <p>This issue was raised by 19 residents. 14 of these residents live in housing association properties on the Estates.</p>	<p><i>"can't see why these houses should be demolished as they were built 10 years ago. I think it is a waste of money"</i></p> <p><i>"I love my home. It doesn't need to be knocked down. My house is only 11 years old"</i></p>	<p>The Council recognises that the redevelopment will mean the demolition of a number of homes which have been built in the last 15 years. This is, however, an unavoidable consequence of the proposals, which will provide 760 new replacement homes, together with additional affordable housing.</p>
<p>7.</p>	<p>I want to stay in my current home because I do not want the inconvenience of moving</p> <p>6 residents raised the issue of not wanting to move home because of the inconvenience it will cause.</p>	<p><i>"I can't cope with moving at my age."</i></p>	<p>The Council appreciates that moving home will be a significant inconvenience for many residents. The Council has tried to ensure that the re-housing and move process is as smooth as possible and that residents are supported throughout. Each household will have a dedicated Re-housing Officer who can help the household through the re-housing process. This will include identifying residents' housing needs and requirements, informing them about the re-housing and move process, keeping them updated about the project and move timescales. The Re-housing Officer will be able to allocate additional support and services to assist residents. The EIA includes further details of how the Council proposes to mitigate impacts of this type.</p>
<p>8.</p>	<p>I want to stay in my current home because I am worried about being homeless</p> <p>18 residents were concerned about being made homeless. 13 of these were private tenants.</p>	<p><i>"I think it is wrong the council proposal to include our estate to be demolished because many people will go homeless"</i></p>	<p>All secure tenants will be offered a new home in the redevelopment and so will not be made homeless. Resident leaseholders and freeholders will be offered the opportunity to purchase a new home in the redevelopment area.</p> <p>The Council has no legal obligations to private tenants, however all private tenants will be visited in order to assess their needs. Private tenants with established links to the community may be offered re-housing in affordable homes under the local lettings plan.</p>
<p>9.</p>	<p>I want to stay in my current house and I do not want to move to a flat</p> <p>30 residents raised the issue of not wanting to move into a flat.</p>	<p><i>"We don't want to live in a block of flats"</i></p>	<p>The new homes would be a mix of houses, flats and maisonettes. There will be a significant number of ground floor properties with their own front door and private gardens and many properties will have balconies.</p> <p>Currently, it is estimated that there will be 141 replacement houses and ground floor duplexes (equivalent to a house) in the new development, as compared to the 190 houses in the Estates. Therefore approximately 50 households will have to move from a house to a flat.</p>

<p>10.</p>	<p>I want to stay in my current home because of improvements we have made to it</p> <p>20 residents raised this issue</p>	<p><i>"We spent a lot of time & money to improve our home making it the way we like"</i></p>	<p>The Council recognises that some residents will have made improvements to their homes, and understands that as a result some are reluctant to leave them.</p> <p>The Council will develop a policy (in consultation with local residents) to compensate secure tenants for the improvements undertaken to their homes, provided that they are either improvements that the Council (as landlord) consented to, or for which the resident did not need to obtain consent, and which residents will no longer have the benefit of as a consequence of having to move.</p> <p>The Council will also develop a policy (in consultation with local residents) to compensate leaseholders / freeholders for improvements undertaken to their homes, provided that they are either improvements that the Council consented to, or for which the resident did not need to obtain consent, and provided that the costs incurred are not reflected in the increased value of the homes.</p>
<p>11.</p>	<p>I want to move because of the current condition of the Estates</p> <p>10 residents (who were all secure tenants) stated that they would like to move because of the current conditions on the Estates.</p>	<p><i>"the state of the estates is very poor"</i></p>	<p>These comments are noted. The Council believes that the redevelopment will create a better living environment for residents.</p>
<p>12.</p>	<p>I want to move because of the current state of the communal areas</p> <p>9 residents (who all identified themselves as secure tenants) stated that they would like to move because of the current condition of the communal areas in the Estates.</p>	<p><i>" It gives those who want to leave a better environment to live in and appreciate a cleaner environment"</i></p>	<p>These comments are noted. The Council believes that the redevelopment will create a better living environment for residents.</p>
<p>13.</p>	<p>I want to move because of current state of my home</p>	<p><i>"my flat is on the ground floor, it's cold and damp, I'm not happy with it at all"</i></p>	<p>Officers note these comments. The Council's proposal will provide new homes for secure tenants and resident leaseholders/freeholders. The new properties will be built to modern space, sustainability and efficiency</p>

	7 residents (who all identified themselves as secure tenants) stated that they would like to move because of the current state of their home.		standards.
14.	<p>I want to move because my current home is unsuitable / does not meet my housing need</p> <p>7 residents (who all identified themselves as secure tenants) stated that they wanted to move because their current home did not meet their needs. 6 of the 7 residents lived in high-rise properties.</p>	<i>" I am overcrowded & have no chance of moving on Locator in my current banding"</i>	<p>The Council recognises that some residents on the Estates are living in homes which do not suit their needs, and that this is more likely to be the case for residents who are living in the high-rise flats.</p> <p>Officers consider that the Council's proposal will provide the opportunity for residents to be re-housed in homes which better meet their needs.</p>
15.	<p>I want to move because I want a new home</p> <p>44 residents (of whom 34 identified themselves as secure tenants) stated that they wanted to move as they wanted a new home.</p>	<i>"the new homes look fantastic"</i>	These comments are noted.
	<p>I would like to move as I would welcome a new community.</p> <p>16 residents have stated that they would like to move / see a new community established.</p>	<i>"new opportunities, new people"</i>	The Council recognises that some residents would like to see a new community established. The Council believes that the redevelopment proposal offers the opportunity to build on existing community and support networks, and create a new, balanced and sustainable community.
Theme 5 Conclusion			
<p>Many consultees expressed a wish to stay in their current home because of the length of time they have already lived there or because of their strong ties to the community. The redevelopment proposal seeks to address the second of these concerns by keeping neighbours and communities together as part of the phased re-housing plan. The development of the local lettings plan for the Estates will be undertaken in consultation with residents, which will enable the community to have considerable input.</p>			

Residents in houses were particularly concerned about losing their garden and off-street parking space / garage. The local lettings plan being developed will prioritise people who already live in this type of housing if the houses meet their housing need. But officers recognise that the number of gardens and parking spaces will decrease. Financial compensation will be available if a resident loses their garden or parking space.

Theme 6: Transport and local facilities

Many responses contained comments about planning-related issues concerning transport and accessibility. This was not in direct response to any of the questions asked. These comments were made more frequently by estate residents than residents in the wider community.

Issues raised under this theme fall into 10 main categories. The issues and the number of residents that raised them can be found in the table below.

Theme 6 - Transport and local facilities			
	Point Made	Quotes	Officers' Response
1.	<p>Would like to see road congestion minimised</p> <p>41 residents raised the issue of the potential for traffic congestion arising from the increase in the number of homes.</p>	<p><i>"Therefore redevelopment seems very sensible. A new road from North End Road to Warwick Road should considerably ease traffic congestion in the area"</i></p>	<p>The Council notes these concerns and has passed them on to the Planning Authority.</p>
2.	<p>Want to remain close to educational facilities</p> <p>32 residents mentioned their current proximity to educational facilities. Having local schools was often mentioned and residents, especially estate residents, wanted this preserved in the redevelopment.</p>	<p><i>"I have 3 children in the school at the moment and another starting in September. We all want to stay"</i></p>	<p>Officers believe that the majority of residents will be able to remain reasonably close to existing educational facilities on the basis that replacement homes will be provided in the redevelopment area. If the resident's new home is on the main site (bounded by West Cromwell Road, the railway line, North End Road and Lillie Road) the potential maximum distance from their current home would be approximately 250m, depending on where the new home is located. If the resident moves to a new home on Seagrave Road, the furthest distance from the main site will be approximately 800m.</p> <p>Officers note that additional educational facilities will also be being provided by the redevelopment. The location and size of these facilities will be dealt with through the Planning Process.</p>
3.	<p>Concerns over capacity of</p>	<p><i>"Adequate provision must be made</i></p>	<p>The council notes that residents are concerned over the capacity of local</p>

	<p>local rail and underground stations</p> <p>18 residents raised concerns over the capacity of local stations</p>	<p><i>regarding transport especially at West Brompton/West Kensington/Earls Court stations, buses and parking in the redevelopment area. Volumes will increase and the stations must be able to cope with this</i></p>	<p>stations and has passed this point on to the Planning Authority.</p>
4.	<p>Concerns over car parking provision</p> <p>15 residents mentioned car parking as an issue. Residents were predominantly concerned that the redevelopment would result in less car parking spaces.</p>	<p><i>"It could be a nice big project but it lacks one much needed thing : parking places! There should be twice as many parking places as homes (public or private)"</i></p>	<p>Please see the response to Theme 5, Point 3 above.</p>
5.	<p>Want to remain close to Underground stations</p> <p>15 residents mentioned the current ease of access to Underground stations and wanted this to be preserved in the redevelopment.</p>	<p>'convenient tube station'</p>	<p>Officers believe that the majority of residents will be able to remain reasonably close to local undergrounds stations. Please see the response to Theme 6, Point 2 above.</p>
6.	<p>Want to remain close to bus stops</p> <p>12 residents mentioned the importance of remaining close to bus stops.</p>	<p><i>"I hope the bus routes will be improved"</i></p>	<p>Residents may end up moving further away from the bus stops that they currently use (see the response to Theme 6, Point 2 above). However, new bus stops will be included within the redevelopment area. Their exact location will be determined through the planning process. Officers have passed these concerns onto the Planning Authority.</p>
7.	<p>Want to remain close to healthcare</p> <p>10 residents mentioned the importance of remaining close to healthcare facilities.</p>	<p><i>"I am a patient at Fulham Hospital"</i></p>	<p>Residents may end up moving further away from the healthcare facilities that they currently use (see the response to Theme 6, Point 2 above). However, additional health facilities will also be provided by the redevelopment. (The location and size of these facilities will be dealt with through the Planning Process.)</p>
8.	<p>Want to remain close to shops</p>	<p><i>"its nice to raise a family near convenient shops"</i></p>	<p>Residents may end up moving further away from shops that they currently use (see the response to Theme 6, Point 2 above). However, additional</p>

	11 residents mentioned the importance of remaining close to shops.		shops and retail facilities will be provided by the redevelopment. (The location and size of these facilities will be dealt with through the Planning Process.)
9.	Support improvements to local bus services 6 residents supported improvements to local bus services.	<i>"I hope the bus routes will be improved"</i>	These comments are noted, and have been passed on to the Planning Authority.
10.	Support improvements to cycling facilities and pedestrians 6 residents supported improvements to cycling facilities and pedestrians	<i>"I would very much like to see the area developed for pedestrians & cyclists"</i>	These comments are noted, and have been passed on to the Planning Authority.
Theme 6 Conclusion			
The consultation identified individual points such as potential increases in road traffic and congestion at train and underground stations. The increased volume of traffic will be accommodated by road and public transport infrastructure improvements which will be agreed through the planning process. This improved infrastructure develops the strong public transport network already in place as well as taking a strategic approach to improving the road network. In addition, there were issues raised by residents of the Estates about the possibility that the redevelopment would move people away from facilities such as schools, underground stations, and healthcare facilities. The relatively short distances that residents of the Estates will be moving, and the additional community infrastructure, should help to mitigate these concerns.			

Theme 7: New housing

Some responses expressed comments about the proposed new buildings and the housing density within the redevelopment. This was not in direct response to any of the questions asked and was raised by both estate residents and residents in the wider community.

Issues raised under this theme fall into 4 main categories. The issues and the number of residents that raised them can be found in the table below.

Theme 7 – New housing			
	Point made	Quotes	Officers' Response
1.	<p>Want to see the area continue to provide affordable housing</p> <p>Residents in this category felt that the new development should include social and affordable housing. There was a concern that housing for people on lower incomes would no longer be provided in the area. Some responses mentioned “<i>gentrification</i>”, and “<i>Social Cleansing</i>”.</p> <p>28 residents raised concerns about affordability.</p>	<p>(The plans) “<i>do not take account of poorer residents being priced out unless this is actually your intention, you need to be more robust legally binding guarantees</i>”</p> <p>“<i>I am concerned because the cost of rents will increase. Those who cannot afford the new rents will either have to downsize or move out of the area. Property owners on the estates will be unlikely to be able to buy in the area and have to move out.</i>”</p>	<p>Should the redevelopment go ahead, 760 replacement homes will be built for the Council to replace the existing homes on the Estates.</p> <p>All secure tenants will be able to remain secure tenants in a new home within the redevelopment area. Rents for these properties will be calculated in the same way as secure council rents across the Borough.</p> <p>Resident homeowners will get the full market value of their home plus compensation of 10% of its value (up to £47,000). Those choosing to move to a new home in the development will receive an early purchase discount (of 10%) and can put their compensation towards buying an intermediate affordable home in the redevelopment. Leaseholders and freeholders will not be expected to increase borrowing on their mortgages to afford a home in the redevelopment.</p> <p>Additional affordable homes will be provided through the redevelopment. Whilst the precise number of additional affordable homes will be determined through the planning process, it is anticipated that the redevelopment will create around 740 new affordable homes.</p> <p>Overall, therefore, the redevelopment will <i>increase</i> the amount of affordable housing in the redevelopment area. There is no substance to</p>

			the suggestion that the redevelopment will amount to any form of “social cleansing”.
2.	Concern about the height of new buildings A number of responses mention “30 storey tower blocks” and express concern about the impact on Brompton Cemetery. In all, 27 residents raised concerns about the height of the new buildings.	<i>“I think it is preposterous to build blocks of 30 storey flats”</i>	These concerns are noted. The redevelopment will provide a mix of buildings types. There will therefore be a mix of heights within the redevelopment area. The height of the buildings will be determined through the planning process. These concerns have been passed on to the Planning Authority.
3.	The design of the new buildings Respondents made references to the “glass and steel boxes” shown in the artists’ impressions in the information pack. Some felt these proposals looked “soulless” or generic. 17 residents raised concerns about the design of the new buildings.	<i>‘I would prefer to see terracing’</i>	The Council notes these concerns and has passed them on to the Planning Authority. Should the redevelopment go ahead and detailed planning applications be submitted, residents will have the opportunity to raise any concerns regarding those applications as part of the Planning Authority’s statutory consultation. However, officers do consider that the designs that are currently envisaged afford any good reason not to proceed with the redevelopment.
4.	Housing density 16 residents raised concerns about the density of housing within the redevelopment.	<i>“Density of living space should be wide space and low levels”</i>	The housing density will increase if the redevelopment goes ahead, and so this issue needs to be borne in mind. Ultimately, density will be dealt with through the planning process. The Planning Authority will consider the site’s location and links to infrastructure (particularly transport infrastructure) when considering the density of the redevelopment. This point has been passed on to the Planning Authority.
Conclusion			
The consultation identified the provision of affordable housing as a key concern about the new buildings. The proposals for the redevelopment not only includes the re-provision of 760 homes for the residents of the estates but also includes approximately 740 additional affordable homes. This significantly increases the number of affordable homes which are available to local residents.			

Miscellaneous issues

Miscellaneous issues			
	Point Made	Quotes	Officers' Response
1.	<p>Stress/psychological Concerns</p> <p>Many residents raised concerns regarding psychological impacts and stress they are feeling due to the uncertainty about the future of the Estates and the stress of having to move home.</p>	<p><i>"It would be stressful if I had to leave now"</i></p> <p><i>"I would feel stressed if I had to move"</i></p>	<p>The Council recognises that uncertainty about the future of the Estates can cause anxiety and worry. The Council has attempted to mitigate this through engaging residents in the decision-making process and informing residents of the project timescales. But the Council appreciates that residents need certainty about their future.</p> <p>The Council also recognises that moving home can be stressful for residents. The council has allocated a dedicated Re-housing officer to each household to ensure that residents are fully supported and to help address these potentially negative impacts of having to move home. The Re-housing Officer will be able to allocate additional support and services to assist residents who require additional support whilst moving home. Further information on this is contained in the EIA.</p>
2.	<p>Health issues</p> <p>7 residents expressed concern about the prospect of moving on health grounds</p>	<p><i>"I would not want to move as I don't enjoy the best of health"</i></p>	<p>Relevant health issues and or/medical conditions will be picked up during the face-to-face meeting with the resident's dedicated Re-housing Officer. The Re-housing Officer will ensure that the resident is re-housed based on their need, and will be able to allocate additional support and services to a resident who needs further assistance. The EIA addresses this issue in more detail, especially as regards elderly and disabled residents.</p>
3.	<p>Requests for further information</p> <p>There were specific enquiries from estate residents about what sort of new property they would be offered, and requests for detailed maps of the redevelopment and for more information about phasing. Some respondents said they had been unaware of the proposals. Others</p>	<p><i>"they do not go into enough detail"</i></p>	<p>These requests demonstrate the need to raise awareness and understanding of the proposal through further communications and face-to-face meetings.</p>

	said they had been confused by the different information circulated on the Estates.		
4.	<p>Individual housing requirements including extended families and hidden households</p> <p>Some residents used the feedback forms to give details of their household and re-housing requirements</p>		These issues will be picked up in the face-to-face interviews to ascertain housing need.
5.	<p>Specific housing for retired people</p> <p>2 residents raised this issue.</p>		The need for specific housing will be identified during the housing needs assessment process.

6. THE TRAS'S RESPONSE

- 6.1 The TRAs' response (dated 12 March 2012) comprised a covering letter, six "Sections" and an Annex. The TRAs' response is at Annex 5.
- 6.2 The response raises issues in relation to (i) the lawfulness and adequacy of the consultation (in Sections 1 and 2); (ii) the draft Equality Impact Assessment (in the covering letter and Section 3, also Section 6, which deals with an earlier Equality Impact Assessment)); and (iii) the merits of the Council's proposal (in the covering letter, Annex 1, and Sections 4 and 5). Topics (i) and (iii) are addressed below. Topic (ii) is addressed separately in the Equality Impact Assessment.

6.3 The lawfulness and adequacy of the consultation

- 6.3.1 Officers do not accept the TRAs' claims that the consultation was unlawful and/or inadequate. The claims are not set out in detail in this Appendix as the Council has not been consulting on the lawfulness / adequacy of the consultation process. The following points are however noted.
- 6.3.2 It is suggested at page 9 of the TRAs' response that the Council did not consult with the TRAs. This is incorrect. On 22 December 2011, the Council wrote to the chairs of the TRAs to inform them of the consultation process and to offer to meet and explain the consultation documents. In addition, the TRA took the opportunity to respond to the consultation documents at length.
- 6.3.3 The TRAs argue (at page 9) that the matter should be decided by an independent ballot of (it seems) the residents on the Estates. There is no legal requirement on the Council to decide the matter in this way (Schedule 3A to the Housing Act 1985 does not apply). Further, it was appropriate for the Council to consult residents, but stop short of holding a formal binding ballot. First, an appropriate level of democratic accountability is ensured by the fact that the ultimate decision will be taken by elected members of the Council. Secondly, it was appropriate for the Council to consult with residents in the wider area (as well as on the Estates), as the issues posed in the consultation affect the wider area as well as the Estates. Thirdly, similar large regeneration schemes across London have canvassed resident opinion through methods other than a formal binding ballot.
- 6.3.4 The TRAs also argue (at pages 12-13 of their response) that the Council incorrectly referred in the Tenant Offer to the use of CPO powers in relation to secure tenants. However, the Council was in fact correct to make reference to CPO powers in this regard. The Council has power to acquire land on the estates (including secure tenancies) through use of CPO powers under section 226(1)(a) of the Town and Country Planning Act 1990.
- 6.3.5 Finally, the TRAs argue that the information pack made a mistake when it noted that a housing stock transfer could be done after the redevelopment scheme (pages 15-16 of the TRAs' response). This was not a mistake. If the comprehensive redevelopment goes ahead, the secure Council tenants on the Estates will continue to be secure Council tenants - in new properties - after they have been moved, and such tenants could in principle seek a stock transfer in relation to their new properties at that time.

6.4 The merits of the Council's proposal: the TRAs' covering letter

- 6.4.1 The TRAs' covering letter of 12 March 2012 argues that 'a huge majority of households on the estates who responded to your consultation has voted no to demolition', and that their views should be respected.
- 6.4.2 However, if adopted, the Council's proposal will have an impact on the wider area, including in terms of community facilities, public spaces and the potential for new jobs. It was therefore appropriate for the Council to have consulted residents in the wider area as well as residents on the Estates, and their views should be given weight. When all consultees' views are considered, the proportion against the Council's proposal is not much greater than the proportion in favour. Further, the Council conducted a consultation rather than a referendum. Whilst the Cabinet needs to carefully consider the views expressed in the consultation, the Cabinet is ultimately responsible for deciding what is best overall for local people, and it is not bound to reach its view simply on the basis of the proportion of consultees who were in favour or against.
- 6.4.3 The TRAs also asked the Council to personally respond to all responses before any decision is made. The Council has assessed above the responses received from residents. Where residents have raised individual specific concerns relating to their own personal circumstances that need to be addressed, the Council will respond directly to the resident. If the Estates are included as part of the comprehensive redevelopment, all residents will also be able to discuss their individual concerns in the one-to-one interviews that will be arranged by their dedicated Re-housing Officer for the purpose of assessing housing need. The Council will also continue to engage with residents through regular newsletters, drop-in surgeries and events.
- 6.4.4 The TRAs' covering letter argued that there is 'no evidence or rational basis whatsoever' for adopting the proposal. The TRAs also claimed that Annex 1 to the TRAs' response 'shows that [the Council is] just doing this to get rid of us for political purposes'. It is also argued that the purpose of the proposal is to make money for the Council and to profit "your agent of destruction" (which appears to be a reference to Capco / EC Properties). These are strongly worded expressions of disagreement with the merits of the proposals but it does not follow that contrary views of the merits are, as claimed, untenable. Officers are recommending that the Council should enter into the CLSA for the reasons set out in the main Cabinet Report, rather than for any illegitimate financial or party-political reason.

6.5 The merits of the Council's proposal: sections 4 and 5 of the TRAs' response

- 6.5.1 Sections 4 and 5 of the TRAs' response principally addressed the Economic Appraisal undertaken by Jones Lang LaSalle (JLL) and Amion Consulting to which reference was made on page 14 of the consultation information pack. These sections are virtually identical to the representations submitted by the TRAs on the Economic Appraisal during the consultation on the Supplementary Planning Document. Officers have therefore drawn on their analysis of those earlier representations in what follows, as well as JLL's response to the TRA's comments. The analysis of Section 4 uses the same headings as are used in Section 4 itself.
- 6.5.2 Section 4: 'Generally'
- 6.5.3 The TRAs raise a concern that no consultation was undertaken with the Estates' residents for the purpose of preparing the Economic Appraisal. That is correct. There was no legal requirement to consult before obtaining the Economic Appraisal. The absence of such consultation is not in itself a reason to reject the

Economic Appraisal.

- 6.5.4 The TRAs also argue that the Economic Appraisal contains only 'minimal data' about the Estates. Officers consider that the data on the Estates that was produced in support of the Appraisal is sufficiently detailed.
- 6.5.5 The TRAs criticise what they see as 'subjective opinions masquerading as facts'. It is inherent in the nature of an appraisal that it involves elements of judgment. It is not accepted that the judgments made are masquerading as anything else. The TRAs also argue that some of the wording within the Appraisal was confusing and misguided, such as using the word 'regeneration' when what is meant is 'demolition'. In response, officers have revised the Appraisal so that the word 'regeneration' has been amended to 'redevelopment'.
- 6.5.6 The TRAs criticised the lack of consideration of phasing, and of whether the scheme would be able to proceed smoothly in the current economic climate. JLL have confirmed that 'an assessment of phasing, demand and viability in relation to each option has been carried out as part of the Economic Appraisal'. The main Cabinet Report considers the risk that the comprehensive redevelopment might not in the event be completed in full.
- 6.5.7 The TRAs raised a concern that a lot of the data within the Economic Appraisal has not been identified. JLL have clarified that the data come either from published Lower Super Output Area Census data or from the West Kensington and Gibbs Green Estates Profiles document, which was provided separately to the TRAs in mid December 2011.
- 6.5.8 Section 4: 'Overview'
- 6.5.9 The TRAs criticise the statement in the Economic Appraisal that the Estates 'suffer from discontinuous internal roads', and refer to the DCLG / Department of Transport 'Manual for Streets' (MfS). The TRAs also question whether many of the streets within the Estates are in fact discontinuous and why those that are cannot be redesigned to connect with existing streets. Although there is no explicit statement in the MfS to the effect that "discontinuous streets are in all cases a poor design solution", it is implied throughout the document that a well-connected, permeable network of streets is preferable (see for example page 13 of the MfS). Officers are also satisfied that there are discontinuous internal roads in the Estates (in the sense of dead-end roads that are terminated by buildings, rear gardens or incidental open spaces).
- 6.5.10 The TRAs also criticise the statement in the Economic Appraisal that the Estates have 'poor quality open space' and they refer in this regard to a lack of evidence of graffiti, uncollected rubbish, dumped cars, etc. This statement concerning 'poor quality urban space' refers to the role of open space in the urban grain and layout of the Estates rather than any vandalism or dumping. As the MfS states, "high-quality open space is a key component of successful neighbourhoods" (page 57).
- 6.5.11 The TRAs argue that the existing housing stock is in reasonable condition, and that the demolition of the Estates could not be justified on the basis of their poor physical condition, or social disintegration. However, the state of the current housing stock is not being advanced as a reason for adopting the Council's proposal. What is, however, a consideration is the ongoing management and maintenance costs for the Estates, and the assessment that these will rise over time. The Economic Appraisal does not seek to justify the regeneration of the

estates purely on the grounds of poor physical and/or social condition. Rather, the Appraisal assesses the overall net additional benefits of the inclusion of the estates within the proposed comprehensive regeneration scheme for the Opportunity Area.

6.5.12 Section 4: 'Background to regeneration'

- 6.5.13 The TRAs object to the statement in the Economic Appraisal that 'The management and maintenance costs incurred by the Council are expected to increase above that for modern Council owned properties' on the basis that it was not backed by any evidence. JLL has confirmed that the management and maintenance costs adopted in the appraisal for the existing estate proportions were based on the Stock Condition Survey (SCS) conducted by Savills in 2009. JLL have stated that in relation to new stock, it is logical and professional opinion confirms that new accommodation would face lower on-going maintenance costs by virtue of the likelihood of actual renewal costs being required in the short term for older properties. It is assumed that large unexpected costs in the first few years of a new building's life would be covered by NHBC warranties. Savills' statement refers to the benefits of regular replenishment of the stock as part of the Borough-wide management strategy.
- 6.5.14 It was also said that the statement that already 'the average cost per dwelling of the estates is above the average figure for LBHF housing estates' was not substantiated. However, this was calculated using Council records of costs incurred, and officers consider it to be accurate. The TRAs also object that the sums spent on the Decent Homes Programme was not mentioned in the Economic Appraisal. However, these sums were in fact taken into account for the purposes of estimating future maintenance and management costs.
- 6.5.15 The TRAs also state that 'The Economic Appraisal seeks to justify demolition on the woolly grounds of 'design obsolescence resulting from increased housing standards''. This is a mischaracterisation of the Economic Appraisal, which refers to 'design obsolescence resulting from increased housing standards' as part of the explanation as to why the management and maintenance costs for the Estates are expected to increase above that for modern Council-owned properties.
- 6.5.16 The TRAs state that the problems of over and under occupancy identified in the Economic Appraisal could be overcome by better management of the Estates. Officers accept that this is, in principle correct. However, the focus of the Economic Appraisal was on the net additional economic benefits associated with the inclusion or otherwise of the Estates within the redevelopment options for the Opportunity Area.
- 6.5.17 The Economic Appraisal is said by the TRAs to have concluded that 'there is a strong rationale for demolition and including the estates within the comprehensive regeneration of the Opportunity Area'. In fact, the Economic Appraisal refers to there being a strong rationale for 'regeneration' and for 'including the estates within the comprehensive regeneration of the Opportunity Area'. That strong rationale flows from the other matters discussed under the 'Background to regeneration' section in the Economic Appraisal.
- 6.5.18 The TRAs express the concern that the Council's proposal would involve moving the majority of existing residents on the Estates to the Seagrave Road site, and that the current problems with socio-economic deprivation would therefore merely be shifted to a different location. However, the proposal is that only 25% of the Seagrave Road site would be used for re-housing from the Estates, and that the

other re-housing would occur as part of a phased approach to the main site (on land within the Opportunity Area and within the Borough).

6.5.19 Section 4: 'Alternative options'

6.5.20 The TRAs object to the statement in the Economic Appraisal that the Estates 'would be unlikely to change physically' under Option 1. Reference is made to their 'vision' for the Estates published in December 2009. The merits of the Stock Transfer Option, and the possibility that it might lead to significant development on the Estates, are considered in the main Cabinet Report.

6.5.21 The TRAs argue that, in its analysis of Option 2, the Economic Appraisal made unsubstantiated claims about the viability of infill development. In fact, this aspect of the Appraisal was supported by various development appraisals and cost models and, as a result, the claims about the viability of infill development can be substantiated.

6.5.22 The TRAs argue that it is unclear what is being proposed under Options 3(a) and 3(b), particularly in relation to what any comprehensive regeneration of the Estates on a standalone bases would look like. What was undertaken was a density analysis looking at viability, rather than an engineered design solution. Officers consider that to have been a reasonable approach.

6.5.23 Section 4: 'Economic benefits'

6.5.24 The TRAs question the use of the expression 'new affordable' homes within the Economic Appraisal. Officers have confirmed that 'new affordable' refers to newly-built affordable housing of various tenures, in line with current planning policy and market practice, this includes intermediate tenure housing including affordable rent and low cost home ownership.

6.5.25 The TRAs object to the large increase in private sector housing under Options 3(a), 3(b) and 4 on the grounds that such housing would be unaffordable to many in the borough. However, whilst of course not affordable to many, additional private sector housing still contributes towards meeting general housing need. Further, what is in practice achievable in the way of additional affordable housing (and the ratio of affordable housing to private sector housing) is necessarily limited by financial considerations.

6.5.26 The TRAs state that it is difficult to see how any of the schemes other than Options 1 and 2 come anywhere near meeting the 40% affordable housing target within the London Plan. The purpose of the Economic Appraisal was not to assess compliance with planning policy. Rather, the Economic Appraisal assessed the viability and economic advantages of the various options. It is also worth noting that the Council's core strategy (policy H2), which sets a target of 40%, states that regard will be had to financial viability. Similarly, the London Plan (policies 3.11 and 3.12) requires boroughs to set affordable housing targets but similarly states that regard should be given to viability.

6.5.27 The TRAs ask a series of questions relating to the employment impacts identified in the Economic Appraisal. First, they question the period of time over which the calculation has been made. The answer is, 18 years. Secondly, the question whether the jobs which would be lost during development have been netted off. They have. Thirdly, the TRAs ask how the calculations have been related to the expected performance of the London economy as a whole during the period. The

economic assessment took into account the economic prospects for London, including a forecast that employment is likely to grow significantly over the longer term. Fourthly, the TRAs ask about permanent job losses as a result of the proposals. These were also taken into account.

6.5.28 The TRAs conclude that the figures for permanent employment are 'highly questionable', and argue that the assumed occupancy rates of 90% for offices, 90% for retail and 100% for hotels were 'wildly optimistic'. However, the average vacancy rate for office accommodation in Greater London is 8.2%, and the average vacancy rate for retail premises is 6.5%. Further, the occupancy rate of 100% for hotels means that all hotels are assumed to be open and trading, not that all hotels are assumed to have 100% room / bed occupancy. Overall, officers consider that the Economic Appraisal used reasonable assumptions about occupancy rates.

6.5.29 Section 5 of the TRAs' response

6.5.30 Like Section 4, Section 5 of the TRAs' response criticises the Economic Appraisal. The TRAs argue that the Stock Transfer Option 'would deliver significant physical changes, could deliver infill development, and might even involve wider redevelopment'. Section 4 contains a table (Table 1) that sets out the TRAs' arguments as to why they say the Stock Transfer Option should be preferred over the Council's proposal, and an Appendix (Appendix 1) that lists what the TRAs would plan to achieve if there were a Stock Transfer Option. These issues are considered in the main Cabinet Report.

6.5.31 The 'Option 2' column in Table 1 (which refers in fact to Option 4, the Council's proposal) reiterates many of the criticisms of the Economic Appraisal that are set out in Section 4 of the TRAs' response. Officers note the following additional points.

6.5.32 In the first row of the 'Option 2' column in Table 1, the TRAs object to the Council's proposal on the basis that it gives rise to an unsustainable increase in housing, having regard to the environment, the community and transport. Any proposal to increase housing will need to ensure that the relevant infrastructure is in place to support the increase in housing, this would include environment, community and transport infrastructure. The amount and type of infrastructure required will be determined through the planning process.

6.5.33 In the second row, the TRAs object to the Council's proposal on the basis that the comprehensive redevelopment will 'dirty' the area for over a decade and make it unsafe. This is not a valid criticism of the Economic Appraisal, which looks at the outcomes for local people following comprehensive redevelopment. Officers accept that the comprehensive redevelopment will cause noise and other disruption, but efforts will be made to minimise this. In addition, all building sites will be kept secure when work is not taking place. It is also claimed that the increased population density will make the area less safe. Officers do not agree with this claim.

6.5.34 In the fifth row, the TRAs claim that the Council's proposal would lead to the loss of 240 existing private gardens, 200 garages, 2 community centres, a primary school and a nursery. It is correct that some gardens will be lost. However, it is anticipated that the proposal will deliver 37 acres of new public and private open space, a new primary school, nursery day-care facilities, a health hub and a sports hall.

6.5.35 In the eighth row, the TRAs object to the Council's proposal on the basis that it would create an unsustainable increase in traffic and place an undue burden on

public transport. The levels of traffic and the impact on public transport will be assessed by the Planning Authority as part of the statutory planning application and decision making process.

6.5.36 The TRAs strongly object, in the ninth row, to the Economic Appraisal's conclusion that the townscape, public realm and environment would be improved under the Council's proposal. The TRAs strongly disagree with the design of the comprehensive redevelopment, and argue that it is inferior to what is currently in the area. This is, in part, a question of judgment. Officers take the view that this aspect of the Economic Appraisal is correct.

6.5.37 Summary

6.5.38 Attached as Annex 6 is Amion Consulting's response to the TRAs' criticisms of the Economic Appraisal (as submitted during the consultation on the SPD). Amion Consulting address and, in turn, reject all the principal criticisms made.

6.5.39 Overall, officers disagree with the TRAs that the Economic Appraisal is 'fundamentally flawed'. Officers consider that, subject to the Council being confident that the comprehensive redevelopment (if approved) would be fully completed (an issue which is addressed in the main Cabinet Report), the Economic Appraisal can properly be used to assess the potential economic benefits of the Council's proposal.

6.5.40 Subsequent correspondence with the TRAs

6.5.41 The Council has received further representations from the TRAs since the TRAs submitted their response. These, together with the Council's replies, are contained in Annex 9. Members should read this correspondence carefully.

7. **MR SLAUGHTER'S LETTER**

7.1 Mr Slaughter's letter of 12 March 2012 in response to the consultation is attached as Annex 7. (Mr Slaughter also wrote a letter to residents on the Estates prior to the consultation deadline of 12 March 2012, on or about 5 March 2012, which is attached as Annex 8.)

7.2 Mr Slaughter appears to be arguing that the Council's proposal should not be adopted because 'a large number of residents feel that the council is pushing these proposals through with indecent haste and is suspicious of the council's motives for that reason'. Whilst the consultation responses indicate that some residents are suspicious about the Council's motives, officers do not consider that this in itself is a good reason for the Council not to adopt the proposal, should it otherwise consider that it is in fact in the best interests of local people.

7.3 Mr Slaughter raises a concern that the Council is intent on proceeding with individual elements of the comprehensive redevelopment scheme before agreement has been reached for all aspects. The Council has not proceeded with individual elements of the redevelopment and is waiting for the Cabinet decision on whether to proceed with the comprehensive redevelopment proposal.

7.3 Mr Slaughter criticises what he considers to be the 'entirely partisan' presentation in the consultation materials, and their lack of detail. These criticisms are not accepted. Officers consider that the materials were reasonable and objective, and

contained sufficient information about the Council's proposal as it stood at the time of the consultation.

- 7.4 Mr Slaughter questions what would happen if the Seagrave Road planning application was 'called in or stopped' by the Mayor, and argues that this would prevent the Council from complying with its 'one move' promise. The Seagrave Road planning application was in fact approved by the mayor on 22 March 2012 and the section 106 agreement and decision letter were completed on 30 March 2012.
- 7.5 Mr Slaughter argues that the re-housing promises are so vague as to be meaningless. Officers do not agree, and consider that the assurances given on re-housing are sufficiently clear. It may be that Mr Slaughter is concerned that, even if a CLSA were entered into, EC Properties would not be bound to complete the comprehensive redevelopment in full. This risk is addressed in the main Cabinet Report.
- 7.6 Mr Slaughter also argues that the overwhelming majority of residents on the two Estates want the Council's proposal 'shelved' and 'want investment to improve the existing much loved and decent neighbourhoods that are their homes'. It is not clear whether Mr Slaughter himself favours the Stock Transfer Option (he does not explain what he thinks should be the source of the investment to which he refers). Mr Slaughter is however correct about the level of opposition on the Estates themselves, although he does not make reference to the level of support amongst the wider community. The Cabinet should carefully consider the levels of support and opposition when deciding whether to adopt the Council's proposal.

8. Additional Representations made in the light of the 23rd April 2012 Cabinet Report.

Comment	Council's Response
<p>The CLSA between the London Borough Of Hammersmith and Fulham and Capco is about a site near but not adjacent to the Earls Court Interests of Capco. All parties recognise that even if a CLSA between LBHF and Capco is signed that it will not take effect unless there is a prior sake of the development rights by means of a lease regear, either by lease extensions and substantial alteration of the lease terms or by means of a surrender of the existing leases and a regrant of new leases. Indeed in order to make the CLSA effective there will need to be not only a lease regear of the EC1 and EC2 leases, which requires a deal between Capco and its Landlord, the Freehold owner of the Land, Transport for London (TfL) but also a sale of sale of a development leases or leases of the huge Lillie Bridge Depot, owned freehold by TfL with a small but crucial strip of land owned freehold by Network Rail. This is because except for a small area to the south of the site where Capco owns a 50 per cent stake in the freehold of the Empress State building, which is not in the development, is subject to a lease to the Metropolitan Police, and is valued separately in the Capco accounts, the TfL owned Lillie Bridge Depot is between the Land demised to Capco under the trading leases and the freehold land owned by LBHF.</p>	<p>The Council notes these comments.</p> <p>The Council can only make decisions in relation to property it owns. CapCo will separately have to negotiate with TfL in relation to land under their control. The conditions precedent the Council has imposed are primarily designed to ensure the delivery of replacement homes before any disposal by the Council. Capco is likely to want to satisfy itself as to its acquisition of any further land interests (as well as securing planning consent) before it serves its Trigger notice (in turn triggering payments). It has a defined period in which to do so. If it has not served the Trigger Notice (which in turn triggers obligations to make payments irrespective of the rate of land transfer) by the long stop date the Council 's right to terminate arises.</p>
<p>The report confirms the above as follows:</p> <p>2.6 Transport for London and Network Rail land ownerships 2.6.1 In order to deliver the comprehensive scheme officers understand that Capco have to reach agreement with TfL for the treatment of their land ownerships.</p> <ul style="list-style-type: none"> • Capco needs to agree a renegotiation of the term of their existing leases from TfL on Earls Court 1 and 2 in order to make the leases suitable for redevelopment. 	<p>Outline planning consent provides the potential for the redevelopment of the West Kensington and Gibbs Green Estates. The ability of Capco to carry out this development would be dependent upon their obtaining suitable planning permission and on its ability to deliver the replacement homes as required as a condition precedent in the CLSA.</p>

Comment	Council's Response
<ul style="list-style-type: none"> • The Lillie Bridge depot currently contains an engineering depot and a train stabling facility. The engineering depot will need to be re-located to enable the development to proceed. The train stabling facility will stay but will need to be covered and developed over. • Officers understand that negotiations are ongoing but have currently not concluded on either of these ownerships. <p>2.6.2 It would also be desirable for Capco to reach agreement with Network Rail for developing over the West London Line. Officers understand that negotiations are ongoing but have not currently concluded.</p> <p>2.6.1 above understates the position by saying 'in order to deliver the comprehensive scheme officers understand that Capco have to reach agreement with TfL for the treatment of their land ownerships.' There is no comprehensive scheme or any scheme under the intended planning scenario unless the legal events I outlined above take place.</p>	<p><i>(please see response above)</i></p>
<p>The commercial viability of any scheme depends on porting RBKC values in to the area of the site owned by LBHF.</p>	<p>The Council notes the comments. Capco will no doubt be concerned with the viability of the project before serving the trigger notice referred to. Where it does so it will need to make the payments specified in the CLSA and prior to any land transfer, deliver the replacement homes as required in the CLSA. The Council has been advised that the consideration provided to the Council under the CLSA represents best consideration. If Capco is unable to satisfy itself it will achieve values so as to make the scheme viable it is unlikely to serve the trigger notice. If it fails to do so by the relevant long stop date the Council can terminate.</p>
<p>Officers have failed to advise that TfL may enter an unconditional</p>	<p>Officers have advised the Cabinet of the accurate</p>

Comment	Council's Response
<p>development agreement or develop its own land under the proposed planning scenario without LBHF but LBHF may not enter an unconditional development agreement or develop its own land in practice without TfL entering a prior unconditional development agreement or TfL developing its own land.</p>	<p>picture at all stages of the project.</p>
<p>LBHF are not in a position to grant Capco the development rights of its existing demise under the trading leases, the lease regear or to sell it the Depot or to influence TfL in its decision.</p>	<p>This is accepted, these parts of land are outside the control of the Council.</p>
<p>From the 9th October 2009 to the 31st December 2011 LBHF was able to influence the decision making of TfL by its participation in the 9th October 2009 Collaboration Ageement between Capital & Counties Ltd, Transport For London and The Mayor and Burgesses of the London Borough Of Hammersmith and Fulham. TfL have confirmed the Collaboration Agreement expired on the 31st December 2011. The Collaboration Agreement was considered so important that it was renewed by all three parties in May 2010. Capco said in its 2010 report and accounts 'in recognising that a comprehensive scheme covering all land ownerships involved within the ECOA would be better than taking the sites forward individually, EC&O, TfL and LBHF renewed their collaboration agreement as land owners in May 2010.'</p>	<p>Although the Council accepts that the Agreement has expired, it has not needed to determine the precise date of expiry, as discussions are on-going between the parties through the Landowners Board.</p>
<p>The Officers failed to report that the collaboration agreement which is the causal and motivating document of the comprehensive agreement expired on the 31st December 2011. Implying the Collaboration Agreement still exists Officers said in the report only the following:</p> <p>3.2 Collaboration Agreement 3.2.1 In October 2009, the Council signed a Collaboration Agreement with Capco and TfL to provide a framework within which the three parties could explore the full potential of the scheme and negotiate terms</p>	<p>The Council has comprehensively kept residents and their representatives informed of progress on this proposed scheme. In any event, the Collaboration Agreement expressed the hope that the terms of a Conditional Joint Venture Agreement was entered into by July 2010 which had clearly not occurred.</p>

Comment	Council's Response
<p>under which land agreements might be entered into.</p> <p>Indeed TfL has confirmed the following in a letter of the 23rd March 2012 to the West Kensington and Gibbs Green TRAs which Officers have failed to report although they have been informed of its contents:</p>	<p>(please see response above).</p>
<p>'To date, the TfL Board has not considered any reports relating to the redevelopment proposals.' 'I understand that the main interests held by Capco in land at Earl's Court are two leases of EC1 and EC2 dated 1959 and 1991 respectively. Copies of these leases are available publicly from the land registry. TfL and Capco have previously entered into a Collaboration Agreement. However, this has now expired and there are no existing agreements or arrangements with Capco which bind TfL to dealing with Capco alone.'</p>	<p>The Council notes the comments. The Council are not in control of the TfL land but please see comments above as to the service of the trigger notice. It should be noted that the terms of the Collaboration Agreement itself did not bind TfL "to deal with Capco alone" since the milestone dates had been passed in 2010.</p>
<p>The above is reported to put in to context the likelihood of a comprehensive scheme actually happening. Indeed right now, and unless circumstances change, a comprehensive scheme is not happening and officers have reported incorrectly when they say:</p> <p>1.1 The proposed development of the Earls Court Exhibition Centre and Lillie Bridge Depot presents an opportunity for the Council to include the West Kensington and Gibbs Green Estates within a larger comprehensive regeneration scheme.</p>	<p>The Council has stated that the scheme is in the 'proposal' stage. Capco has not reached binding agreements with either the Council or TfL but this does not preclude it doing so in due course.</p>
<p>There is no larger comprehensive regeneration scheme unless and until TfL decide there shall be one and members should be mindful of the statement by TfL 'there are no existing agreements or arrangements with Capco which bind TfL to dealing with Capco alone'..</p>	<p>This was stated in the Cabinet Report dated 23rd April (2.6) headed Transport for London and Network Rail land ownerships.</p>
<p>Given that TfL have no agreements or arrangements with Capco which bind TfL to dealing with Capco alone, why is it that LBHF are straining every sinew to make this CLSA happen which will bind LBHF to</p>	<p>The Council do not agree we are 'straining every sinew'. The reason for negotiating and dealing with Capco is that they can effect comprehensive</p>

Comment	Council's Response
dealing with Capco alone.	redevelopment of the area through renegotiating their leases on EC1 & EC2 and they have an interest in Seagrave Road car park which can provide the first stage of replacement housing. This is essential to deliver the promise to residents to have 'one move' in the re-housing. Capco also have further property interests in the area which would be a considerable obstacle to any other potential developer
It is this binding of LBHF to dealing with Capco alone that makes the CLSA incorrect to sign.	We do not agree with this comment. The CLSA offers protection that unless CapCo can deliver homes CapCo will not be transferred property. Please see comments above in respect to the right of termination if no trigger notice is served.
The incorrectness is amplified by the fact that LBHF cannot cause the comprehensive development to happen. The happening of the comprehensive development is under the control of TfL and TfL may exclude Capco from the process.	Comprehensive redevelopment can only happen by concerted action by LBH&F, TfL & Capco. The CLSA facilitates this. TfL would not be able to achieve a comprehensive development without reaching an agreement with Capco.
LBHF should have sought a deal with the major landowner TfL and excluded Capco. A deal between LBHF and TfL would at least have been between the adjacent freeholders TfL and LBHF and have allowed the two freeholders to control the phasing and ensure best value by putting out to tender appropriate sites within the scheme.	The Council believe the proposal for the CLSA is the best option as a whole, which both creates economic growth & delivers new housing for residents of the borough. It should be noted that Capco already has planning permission to Seagrave Road which is capable of delivering 200 new council homes.
Appropriate rather than comprehensive development would respect the wishes of the residents and only include blocks and houses with democratic consent. I am now going to briefly list some other concerns which arise from the incorrect policy of entering a CLSA with Capco and from the structure	The Council is not willing to speculate on future property prices or construction costs. The Council has confirmed that they have secured advice to ensure that the terms will represent the best consideration reasonably obtainable for its interests having regard to the timing of payments and the application of

Comment	Council's Response
<p>of the proposed CLSA itself.</p> <p>1) The CLSA is not a land sale. If it is signed Capco will have purchased and LBHF have sold an option for land to be purchased by Capco, for inclusion in a comprehensive development which does not and may not legally exist. The option price is £105m to be paid over 5 years plus the cost of the replacement housing.</p> <p>2) The option price is fixed and the cost of the replacement homes will go up with construction costs.</p>	<p>indexation where applicable.</p> <p>The CLSA is a complex agreement which includes land sale provisions. Any increase in the cost of delivering replacement homes will be met by Capco.</p>
<p>3) The option discount is the difference between the open market value of the land had it been sold just before being required for development, by open tender, and the CLSA cost which will be a proportion of the £105m plus the cost of the replacement homes. The option discount will increase in size as the scheme progresses.</p>	<p>The Council has confirmation that they are meeting the "best consideration" test. The one move offer to tenants means Seagrave Road is necessary for the first phase of the development. By definition, any developer will seek to increase value by carrying out the development (known as 'development risk') which the Council would not like to be subjected to.</p>
<p>4) The option discount can only be quantified at the end of the twenty year build period granted by the CLSA when you can value what the Council should have received for each plot if each plot was sold when required for development. An estimate of the option discount could and should have been calculated however approximate under different possible phasing scenarios and included in the Officer's report.</p>	<p>The Council has confirmation that they are meeting the "best consideration" test. Calculation of development profit 20 years in the future is of little present value.</p>
<p>5) Under the CLSA Capco have been given 20 years to complete the scheme. Over a twenty year period the value of properties sold will probably have gone up by over 4 times and probably by a lot more if Kensington values are ported in to the LBHF area of the scheme. As end values increase over time so will the option discount and slowly the penny will drop that LBHF have incorrectly signed an agreement that causes the council a vast loss over time.</p>	<p>This is speculation. The Council believes the proposal presents the best way forward to create economic growth and provide new housing for the borough.</p> <p>Realistically development does take time. The Council has an option to terminate the CLSA if certain targets for the delivery of residents housing have not been met by certain dates. The advice on value has been</p>

Comment	Council's Response
	provided with full cognisance of the timescales within the CLSA.
6) The deal will create a day one development premium for Capco which will be taken through its profit and loss accounts in the next few years which will prove LBHF have undersold the site. Already Capco have taken a £55 m increase in its profit on a non existent scheme in its Annual Accounts for 2011 before signing any deal with LBHF or TfL. This will be acutely embarrassing for the Council in the next few years	The revaluation of Capco's assets is not a matter the Council can comment upon prior to entering into any relationship with Capco or its subsidiaries.
7) Should TfL sign with CapCo, and I don't believe they will, LBHF will have plenty of opportunities to develop parts of the site to get full value for its land without giving away an option discount. There is no need for LBHF to sign a CLSA with Capco to develop its land and achieve full value.	Council are committed to a 'one move' approach for residents to minimise any disruption and this relies on the delivery of homes at Seagrave Road. Another developer would not be able to provide the first phase of homes for residents before any residents are asked to move, this would lead to further disruption for residents.
8) 8) In 5.9.1 of the report it says 'Capco have provided the Council with a separate indemnity against any blight claims up to £50m from the date of adoption of the SPD.' This indemnity has been signed as a separate contract and now exists as a legally binding agreement between Capco and the Council. Moral hazard is defined as the prospect that a party insulated from risk may behave differently from the way it would behave if it were fully exposed to the risk. Capco have insulated the council from risk and by so doing has influenced the council to grant it financial benefits. It was indeed confirmed by the leader at the 23rd April 2012 cabinet meeting that Capco had granted the Council a valuable parent company guarantee enhancing the moral hazard. The signed and active indemnity is proof of a close and improper relationship between the Council and Capco.	There has been correspondence between yourself (Mr Osband) & the Council going back a number of months about risks to the Council regarding 'blight' claims from local residents. This risk is enhanced from the date of the adoption of the Earls Court Supplementary Planning Document (SPD). It was essential for the Council to protect itself from the risk of receiving multiple 'blight' claims. The Council is transparent and protecting the interest of tax payers at all stages.

Comment	Council's Response
9) Jones Lang Lasalle and PwC also act for Capco and the advice they both have given fails to quantify the option discount.	Jones Lang Lasalle and PwC are major professional firms with their own strict governance arrangements for situations such as this. The Council does not recognise the "option discount" as the Council is receiving best consideration.
10) The sale of the Gibbs Green School and 11 Farm Lane are boltons to the main deal. They are significant sales in their own right and LBHF have not marketed the sites or gone out to tender to get best bids. The negotiated sale of these sites is one of the more disturbing aspects of this deal. 11 Farm Lane is outside the opportunity area altogether and the Gibbs Green School is in the last phase of the development when it is clear that the top prices to be achieved in 15 to 20 years times will prove the site has been undersold by the council. The Gibbs Green school will have been sold too early in the development process to get best value. Capco have no lease of any part of the 11 Farm Lane site or the Gibbs Green School and the Council will be acting illegally by selling Capco any part of the site without a tendering process.	The Council has had professional advice that it is not acting illegally and is comfortable with the approach that makes the proposal the best consideration. There are overage provisions in the CLSA and re-purchase options that protect the Council if comprehensive regeneration does not take place.
11) LBHF has a legal duty to put the scheme out to tender under its own policies, national and european law. Every council goes through an OJEU process before undertaking a regeneration scheme. LBHF thinks it can legally bypass this process. Bypassing OJEU will leave the Council open to legal challenge. Capco have no lease of any part of the LBHF site and the Council will be acting illegally by selling them any part of the site without a tendering process.	The Council is acting within EU procurement rules. It will of course be necessary to obtain the consent of the Secretary of State before any disposal of housing land is made.
12) The CLSA cannot become effective unless TfL does a prior deal. The LBHF is an addon to something that does not yet exist. The council is selling an option for its land to be included in a development which does not yet legally exist and this itself may be illegal.	There are a number of stages that need to be completed before comprehensive redevelopment takes place. The Council is not acting illegally.
13) LBHF have broken ranks with the principle development partner TfL. TfL have confirmed the Collaboration Agreement expired on the	See comment 6.

Comment	Council's Response
<p>31st December 2011. They do not regard Capco as necessarily their development partner and are exploring other alternatives.</p>	
<p>14) LBHF have been hyping Capco since 2009 by claiming it is a major landowner when it only has trading leases with no development rights and by consistently backing Capco to become the developer beyond any right or reason. This hyping may have created a defense against cpo premium in Capco's favour and should it be necessary to cpo the Capco trading leases at a premium to the no scheme value, TfL could sue LBHF for recovery of this premium.</p>	<p>The Council disputes they have been 'hyping' Capco. Capco is a significant landowner in the area and with a lease for many years to come for the major site of Earls Court conference centre as well as an interest in the Seagrave Road site (with its role in facilitating a single decant). Capco also have other land interests in the area.</p>
<p>15) In 10.7.5 of the report it says 'It should be noted that it is possible that the CLSA will conclude before the TfL deal is concluded.' This is a declaration of the Council's incorrect intention to act independently of TfL, giving a substantial option discount to Capco and a loss to TfL should it be necessary for them to CPO the trading leases, and unnecessarily and incorrectly binding the Council to Capco.</p>	<p>The Council does not recognise the concept of the 'option discount' as the Council is receiving best consideration. The Council believes the CLSA is the best deal for the Council, stimulating economic growth as well as providing new housing in the borough.</p>
<p>16) CapCo now has a unbreakable contract with the Kwok interests, as the CapCo/Kwok Seagrave Road JV contract was only conditional on the grant of planning. The Kwok interests now own 50 per cent of the Kwok/CapCo Seagrave Road JV partnership. The Kwok Capco Partnership is the designated provider of 200 replacement homes under the CLSA and the CLSA cannot proceed without the agreement of the Kwok Capco Partnership. Agreement to the CLSA by the Kwok Capco Partnership is self-evidently a condition of the CLSA.</p> <p>LBHF cabinet resolved on the 23rd April 2012 that 'The Cabinet should instruct officers to continue negotiations with CapCo', despite the arrests of two of the Kwok brothers, Raymond and Thomas Kwok, on the 29th March 2012. (Walter Kwok was arrested 3rd May 2012).</p> <p>On the the 29th March 2012, before the 23rd April 2012 cabinet</p>	<p>Section 6.9.3 of the Cabinet report refers to this issue.</p> <p>Please note that Capco have to operate within UK Law.</p>

Comment	Council's Response
<p>meeting, Reuters reported that "Hong Kong's Independent Commission Against Corruption on Thursday arrested two senior company executives, identified in the media as Sun Hung Kai Properties tycoon brothers Raymond and Thomas Kwok, for corruption".</p> <p>By proceeding to sign the CLSA, LBHF will be subcontracting the provision of 200 replacement homes to entities owned by alleged criminals in the full knowledge that the alleged criminals have been arrested by a respected law enforcement agency of another government for allegedly bribing officials of that government. This undermines the Council's crime prevention strategy.</p>	<p>(please see response above).</p>
<p>17) The Capco Annual 2011 Accounts contain incorrect facts and valuations which render Capco a not fit and proper partner for the Council to do a deal with. The incorrect facts and valuations are submitted in the following Appendix.</p> <p>Appendix re Capital And Counties Properties PLC (called CAPC in the appendix, the stock market code, for the company and not Capco) 2011 Report and Accounts</p> <p>There are three particular items of concern in the CAPC 2011 Annual Report & Accounts (type into browser http://tinyurl.com/CAPC2011Accounts to download) for the year ending 31st December 2011 approved at the 20th April 2012 AGM.</p> <p>The three particular items of concern are:</p> <p>One:</p> <p>The revaluation of the CAPC interests at Earls Court are not based on</p>	<p>The Council believe this deal is the best consideration and is in accordance with all statutory requirements. Further to this the Council believes the deal being proposed is the optimum position for residents.</p> <p>The Council has completed its own financial due diligence on the company that will enter into the CLSA and the proposed guarantor. The CLSA includes mechanisms for frequent testing of the net asset value of the relevant entities with an appropriate duty of care to be provided by the firm acting as auditor.</p> <p>This is commented on in the Cabinet Report.</p>

Comment	Council's Response
<p>fact and substantially inflates the CAPC profit for the year.</p> <p>The CAPC investment at Earls Court are on the 31st December 2011 the trading leases of the Earls Court 1 and Earls Court 2 exhibition centres and this CAPC investment (the two trading leases) are referred to in the CAPC 2011 Annual Report & Accounts on page 89 as having been valued as a 'site with development potential' when they are not a site with development potential and on page 11 it says 'the Group's interests at Earls Court have been revalued from £138 million to £195 million, implying a valuation of £8.6 million per acre across the Group's 23 acres at Earls Court. The independent valuer has changed the basis of valuation to a land valuation having regard for redevelopment potential in light of the progress through the planning process, and this marks a change from the previous existing use basis.' All development rights and development potential belonged to TfL at the 31st December 2011 and still does. At the year end on the 31st December 2012 the site did not have planning permission and still does not. In any case should the site have had planning permission on the 31st December 2011, the additional value would have accrued to TfL, the owner of the development rights and not CAPC.</p> <p>The revaluation is not based on fact and substantially inflates the CAPC profit for the year.</p> <p>The following are the mentions of the change in Earls Court valuation treatment in the CAPC Annual Report and Accounts:</p> <p>Page 11: The Group's interests at Earls Court have been revalued from £138 million to £195 million, implying a valuation of £8.6 million per acre</p>	<p>(please see response above).</p>

Comment	Council's Response
<p>across the Group's 23 acres at Earls Court. The independent valuer has changed the basis of valuation to a land valuation having regard for redevelopment potential in light of the progress through the planning process, and this marks a change from the previous existing use basis. The valuation of Capco's interests in Earls Court as at December 2011 reflects the progress made towards realising this potential, with the valuation basis now a land valuation having regard for redevelopment potential, a change from the previous basis of existing use as operational assets. As at December 2011, the valuation has increased to £195 million, a rise of 39 per cent, reflecting a value of £8.6 million per acre versus £6.1 million per acre at December 2010.</p> <p>Page 30: The valuation of Capco's interests in Earls Court as at December 2011 reflects the progress made towards realising this potential, with the valuation basis now a land valuation having regard for redevelopment potential, a change from the previous basis of existing use as operational assets. As at December 2011, the valuation has increased to £195 million, a rise of 39 per cent, reflecting a value of £8.6 million per acre versus £6.1 million per acre at December 20.</p> <p>Page 42: A step change in the valuation basis of the Group's interests at Earls Court was achieved in the second half of the year. Under International Financial Reporting Standards the Group's valuers are required to consider the highest and best use when valuing investment and development properties carried at fair value. The highest and best use valuation of the Earls Court exhibition halls at 31 December 2011 was considered to be a land value having regard for redevelopment potential. This contributed to a like-for-like revaluation surplus of 10.9</p>	<p>(please see response above).</p>

Comment	Council's Response
<p>per cent recorded on investment properties held at Earls Court & Olympia which attributed a land value of £8.6 million per acre to the site. This reflects the Group's efforts toward achieving planning consents on the ECOA which are discussed further in the Operating Review.</p> <p>Page 89: Valuations are based on what is determined to be the highest and best use. The Group's investment at Earls Court, and Seagrave Road, a car park supporting Earls Court, have been valued as a site with development potential.</p> <p>On a separate but related issue. The trading leases are referred to on page 31 as long leases. The lease of EC1 has only 29 years left expiring 2041 and would not be regarded as a long lease enabling underletting for leasehold apartment use (should there be permission in the lease to build and underlet for such use which there is not).</p> <p>Page 31: Negotiations continue with Transport for London (TfL) in respect of the extension of Capco's existing long leasehold interests at Earls Court, as well as commercial agreements covering TfL and LBHF's land in the ECOA.</p> <p>The evidence of the incorrect revaluation are the two leases of EC1 and EC2 themselves. The leases are not analysed here but I am content that an independent surveyor reading the leases would conclude that no development rights are granted by the leases other than the right to make minor modifications to the exhibition centres.</p> <p>Type in to browser http://tinyurl.com/EC1Lease to download the lease</p>	<p>(please see response above).</p>

Comment	Council's Response
<p>of EC1 - free google account needed. Type in to browser http://tinyurl.com/EC2Lease to download the lease of EC2 - free google account needed.</p> <p>Two:</p> <p>The non disclosure as a post balance sheet event of the expiry on the 31st December 2011 of the 9th October 2009 Collaboration Agreement (type into browser http://tinyurl.com/collabag to download - free google account needed) between CAPC, TfL and LBHF.</p> <p>Howard Carter General Counsel for Transport For London, TfL's senior lawyer, confirmed the following in a letter (type into browser http://tinyurl.com/carterlet to download - free google account needed) to Mr Jonathan Rosenberg, Community Organiser of the West Kensington Estate and Gibbs Green Estate TRAs dated 23rd March 2012:</p> <p>'To date, the TfL Board has not considered any reports relating to the redevelopment proposals.' 'I understand that the main interests held by Capco in land at Earl's Court are two leases of EC1 and EC2 dated 1959 and 1991 respectively. Copies of these leases are available publicly from the land registry. TfL and Capco have previously entered into a Collaboration Agreement. However, this has now expired and there are no existing agreements or arrangements with Capco which bind TfL to dealing with Capco alone.'</p> <p>Howard Carter also confirmed in an email (type into browser http://tinyurl.com/carteremail to download - free google account needed) to Mr Rosenberg on the 9th May 2012 that 'The Collaboration Agreement expired on 31 December 2011.'</p>	<p>(please see response above).</p>

Comment	Council's Response
<p>Three:</p> <p>The non disclosure as a post balance sheet event of the 29th March 2012 arrest by Hong Kong's Independent Commission Against Corruption of Raymond and Thomas Kwok for alleged corruption. Kwok appears 14 times in the Annual Report and Accounts but there is no mention of the arrests. To put the non disclosure in context there follows a list of all mentions of the Kwok name in the CAPC Annual Report & Accounts:</p> <p>page 5: Joint venture with the Kwok Family Interests announced The proposals for the Seagrave Road site receive a boost with a conditional 50:50 joint venture with the 'Kwok Family Interests' – major shareholders of Sun Hung Kai Properties Limited, one of the largest and most reputable real estate companies in Hong Kong</p> <p>page 9: In February 2012 a resolution to grant planning consent for Seagrave Road was received, which followed the agreement of a conditional joint venture in relation to the site with the Kwok Family Interests in December. These successes will allow the Group to pursue, in partnership, the development of more than 800 homes at Seagrave Road.</p> <p>page 9: We look forward to working closely with the Kwok Family Interests to take forward the Seagrave Road project.</p> <p>page 11:</p>	<p>(please see response above).</p>

Comment	Council's Response
<p>Seagrave Road increased in value during 2011 by £11 million to £116 million and in December a 50:50 conditional joint venture for the site was agreed with the Kwok Family Interests at £131 million.</p> <p>page 11: The relationship with the Kwok Family Interests will develop during the course of the year as Seagrave Road becomes a development project.</p> <p>page 28: Conditional joint venture for Seagrave Road agreed with the Kwok Family Interests</p> <p>page 28: Take forward Seagrave Road development in partnership with the Kwok Family Interests</p> <p>page 32: The Group will seek to conclude land transactions with LBHF and TfL consolidating future development rights and take forward the Seagrave Road project in partnership with the Kwok Family Interests.</p> <p>page 33: Conditional Joint Venture for Seagrave Road agreed with the Kwok Family Interests</p> <p>page 33: In December 2011 a 50:50 conditional joint venture with the Kwok Family Interests was agreed, signalling an important milestone in Capco's proposals to create new homes and jobs for the area.</p> <p>page 39:</p>	<p>(please see response above).</p>

Comment	Council's Response
<p>In December the Group entered into a conditional agreement with the Kwok Family Interests. The agreement, conditional on obtaining planning consent immune from challenge, is to acquire a 50 per cent stake in the Group's interests at Seagrave Road for £66 million, a 13 per cent uplift on the December 2011 valuation. As the agreement remained conditional at the balance sheet date, the divestment is not reflected in the table above.</p> <p>page 113: On 17 February 2012 the Council for the London Borough of Hammersmith & Fulham resolved to grant detailed planning permission for the Group's plans to redevelop the Seagrave Road the Kwok Family Interests is expected to conclude upon expiry of the three month statutory period which follows finalisation of the Section 106 agreement.</p> <p>page 122: Kwok Family Interests Conditional joint venture partner and major shareholder in a large listed Hong Kong real estate developer.</p>	<p>(please see response above).</p>