

# **Proposal for a Housing Zone for the White City Opportunity Area**

## **London Borough of Hammersmith & Fulham**



**September 2014**

## **Executive Summary**

The Mayor of London and Hammersmith & Fulham's vision for White City as set out in the Opportunity Area Planning Framework is for the area to be a vibrant and creative place with a stimulating and high quality environment where people will want to live, work, shop and spend their leisure time. Since the publication of the Framework in October 2013, the Mayor of London published his Housing Zones Prospectus with the intention of accelerating housing delivery and build homes more affordable for working Londoners. This bid is about making that vision a reality in White City. The London Borough of Hammersmith & Fulham's response to the prospectus is to propose a Housing Zone for the White City Opportunity Area. This area is expected to host the development of over 5,000 homes and 10,000 jobs with a wide range of necessary accompanying social and physical infrastructure investment to realise the Framework vision. The core objectives of the White City Housing Zone bid proposal are to:

- Realise the housing-led regeneration vision set out in the White City Opportunity Area Planning Framework
- Increase and accelerate market and affordable housing delivery across all sites in the area
- Maximise affordable housing towards the 40% Core Strategy affordable housing target
- Deliver a policy compliant mix of affordable family housing
- Facilitate the delivery of a mixed economy of intermediate housing providers and products to maximise innovation in delivery
- Provide a programme management resource to help coordinate the delivery of additional affordable housing and wider socio-economic infrastructure, building on partnerships and networks currently in place
- Create a Registered Providers Panel for the White City Opportunity Area, ensuring their early involvement in design and affordability discussions
- Ensure that private sector agencies continue to see White City as a viable and attractive housing investment and regeneration proposition
- Significantly add to the availability of local employment and vocational skills opportunities to address high unemployment in this area

To achieve these core objectives, Hammersmith & Fulham proposes to:

- Create a Housing Zone Fund in conjunction with the GLA, drawing on the funding identified in the Mayor's Housing prospectus and funding available from the Council
- Agree a medium to long term approach that ring-fences future GLA Affordable Housing Programme resources to the White City Opportunity Area
- Agree a Delivery Framework with the GLA to crystallise additional affordable housing targets
- Deliver additional affordable housing for working households, meeting local and London-wide affordability criteria

Through the interventions we identify in this document, we are seeking to:

- Uplift the current baseline affordable housing provision from 12% to 20% with further additional housing sought through use of a scheme review mechanism
- Apply Housing Zone and future Affordable Housing Programme resources to increase affordable housing delivery over the 20% baseline provision
- Further uplift affordable housing delivery. Using a 5,687 baseline total number of homes for the area, we estimate that the uplift of affordable housing delivery from 12% to 20% would yield an additional 455 affordable homes (from 682 to 1,137 homes). The uplift from 20% in 5% tranches would yield a further 284 homes for each additional 5% achieved.
- Housing Zone funding (with match funds) is intended to support the delivery of 160 affordable homes in the first instance with more homes delivered if more funding becomes available

Housing Zone and future Affordable Housing Programme resources can provide the catalyst to help deliver a minimum of 20% affordable housing provision and additional housing towards the 40% Core Strategy target.

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Annex A - GLA completed schedule

## Section 1 - Vision Statement

### White City – World City

***White City will be a vibrant and creative place with a stimulating and high quality environment where people will want to live, work, shop and spend their leisure time.***

Anchored by world leading institutions including the BBC and Imperial College London, and with one of London's best retail offers at Westfield in a reinvigorated and metropolitan town centre, the area will become a renowned hub for creative industries and innovation. Many creative, media and entertainment companies together with bio-tech and high-tech start-ups will be attracted to the area, where cutting edge business and academic research will be linked with schools and colleges to inspire young people, providing opportunities for training and skills development in the community. The area will contribute to meeting local employment and community needs, with a high proportion of new jobs filled by local people.

The area to the north of Westfield and including the former BBC television centre will become a new urban quarter with an enlarged, mixed community, through housing-led, mixed use development and refurbishment of some existing buildings. There will be a substantial increase in the number of homes for sale and rent at a range of prices and affordability, providing a local ladder of affordable housing opportunity, supported by new leisure, green space, schools and community facilities.

The existing community will expand over a wider area on both sides of Wood Lane, with a more varied, balanced and sustainable socio-economic mix. All existing residents will be able to continue living in the area, and will be benefitting from new local job opportunities. Many of the estates' existing residents, especially those suffering from inadequate conditions like over-crowding, will have been able to move into better, more suitable homes in the local area or to remain in and benefit from an improved environment.

The economic health of the historic Shepherds Bush Town Centre will be revived. It will be a thriving destination in its own right, with an invigorated market, theatre, refurbished common and focus on entertainment, leisure and other town centre attractions.

The Opportunity Area will be fully integrated within the wider local area. The area will be a model of high quality urban design, sustainable architecture and construction situated within a first class, permeable and inclusive public realm to encourage walking and cycling. Many people will choose to both live and work in the area, reducing the need for commuting and demand on the public transport and road network. The majority of new trips in and out of the area will be made by public transport, walking and cycling, to avoid adding to road congestion.

Outstanding environmental performance will be achieved by the use of low and zero carbon technologies, including renewable energy sources, a district heat network and combined heat and power.

*Source: White City Opportunity Area Planning Framework (October 2013) p8*

Following the adoption of the Opportunity Framework, Westfield, St James and Stanhope are set to deliver over 3,000 homes on sites featured in this document. We also believe that the continuing regeneration of the White City area will translate into developer confidence to help bring forward the Old Oak Common regeneration proposition, which is in relatively close proximity the White City area. This is the subject of its own Opportunity Area Planning Framework adopted by the Mayor of London and the respective Boroughs.

## **Section 2 – White City Area’s History**

White City has seen great change over the years. For the Franco-British Exhibition of 1908, 20 palaces and 120 exhibition buildings were built on a 140-acre site by a workforce of 120,000. The exhibition was eight times the size of the 1851 Great Exhibition in Hyde Park and showcased the industrial and cultural achievements of England and France. It drew more than eight million visitors. Made of steel and concrete, the ornate buildings were whitewashed, hence the name White City. The site also played host to the 1908 Olympic Games. The event was originally to have taken place in Italy. However, when Rome failed to raise the finance to build a stadium, the Games were offered to London, and an Olympic stadium was added to the exhibition plans.

The White City stadium was opened by the Prince and Princess of Wales. It housed running and cycling tracks, a swimming pool and a pitch for football, hockey, rugby and lacrosse. The grandstands accommodated 93,000 spectators. The modern marathon distance was established at the 1908 Olympics when the starting line was moved to Windsor Castle to allow the royal family a good view: the distance between the castle and the White City stadium – 26 miles, 385 yards – was adopted as the standard. The site continued to be used for exhibitions and textile fairs until 1937.

During the First World War, some of the larger buildings were used for the manufacture of aeroplanes and, in the Second World War, to make parachutes. Later, film scenery was constructed in the huge spaces. The stadium fell into disuse after the Olympic Games but was taken over in 1927 by the Greyhound Racing Association. It was also the centre of British athletics from 1932 to 1971, when a new base for the sport was established in Crystal Palace. The stadium also hosted one of the 1966 Football World Cup games, Uruguay v France. Dog racing continued at White City for more than 50 years. The last event ever held in the stadium was a greyhound race September 1984, with demolition work beginning shortly after. The area includes Queens Park Rangers football stadium, currently located at Loftus Road (and previously a tenant at the White City Stadium) who have ambitions to move to a new site on Old Oak Common, one of the Borough’s other two Opportunity Areas.

The area is also famous for the White City Council Estate (principally five storey, balcony accessed brick built buildings, typical of their time) which was constructed during the late 1930s. Much of the development follows the original footprint of the original Exhibition Buildings with the new blocks and roads taking their names from the previous uses. There are a number of other small social housing estates in the area, hence the term ‘White City Estates’ used in this document, detailed in Section 3 & 5.

The main Council Estate itself suffered from a poor reputation for a number of years, but major investment in the buildings and environment have made a significant and improved impact on the area. However, deprivation scores remain high and social issues associated poor educational achievement; low employment; and consequent low incomes remain a challenge to be met.

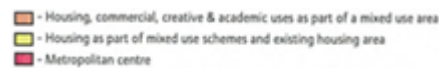
White City’s more recent history centres on the opening of the Westfield Shopping Centre and its success as a retail destination for the capital. Significant investment in the transport infrastructure with a new underground and new overground station is playing a key part in assisting the area’s regeneration. Despite the impending departure of the BBC new activities from the TV Centre Site, BBC Media are expected to maintain a presence in the area and the TV Centre site itself is scheduled for development in the near future and feature in this document.

*Source: [http://www.bbc.co.uk/pressoffice/pressreleases/stories/2004/05\\_may/11/mv\\_history.pdf](http://www.bbc.co.uk/pressoffice/pressreleases/stories/2004/05_may/11/mv_history.pdf) and [amendments/updates from other local sources.](#)*

## Section 3 - White City Area - Description

In the White City Opportunity Area (WCOA), the land use approach focuses on delivering mixed-use development in White City East, incorporating a substantial level of housing as well as employment, retail, public realm and social infrastructure.

The image to the right shows the current use of land in White City and the following sections describe the current housing, employment and retail conditions including opportunities for development as detailed in the White City Opportunity Area Planning Framework.

 - Housing, commercial, creative & academic uses as part of a mixed use area  
- Housing as part of mixed use schemes and existing housing area  
- Metropolitan centre

### Housing

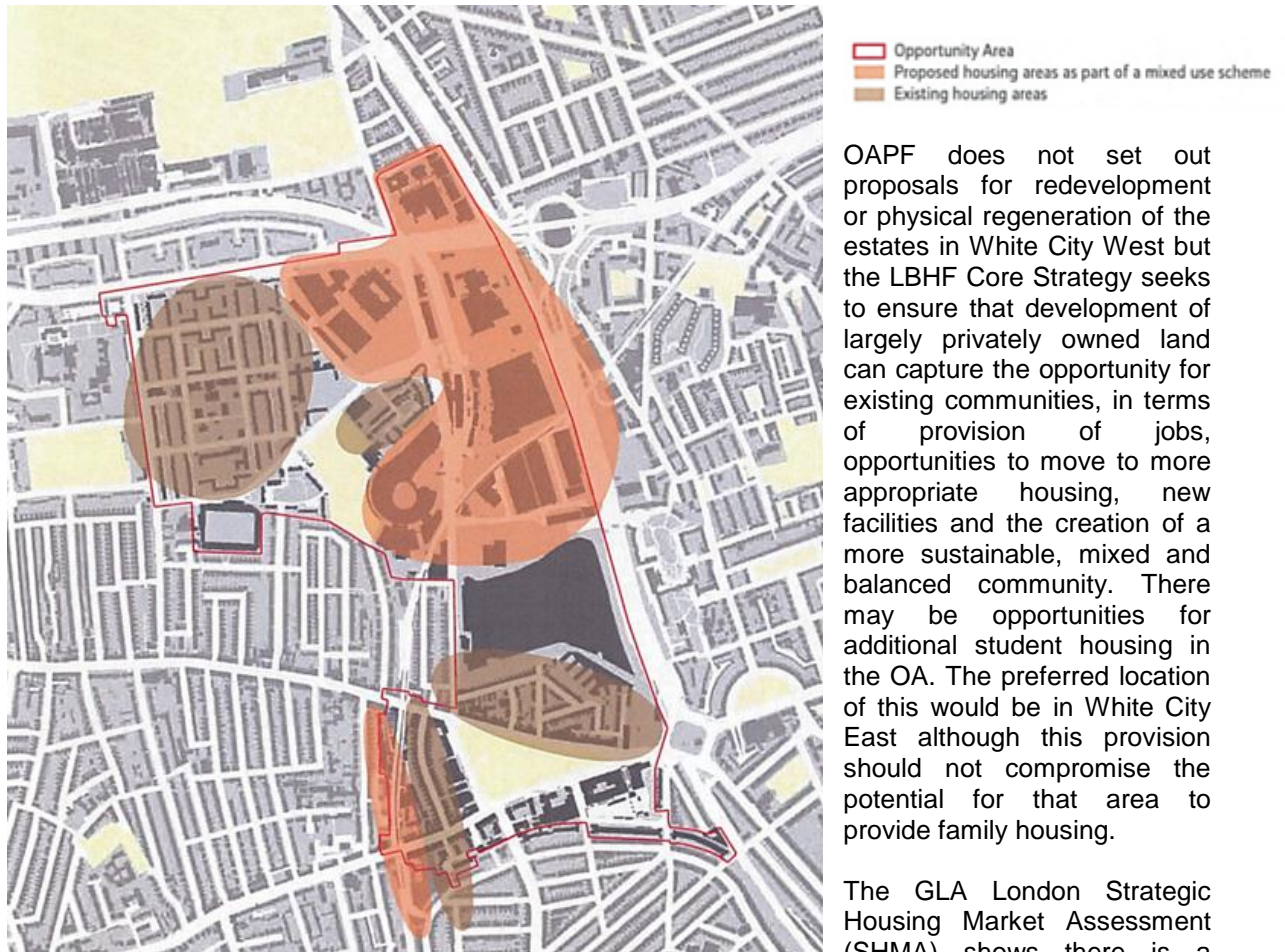
The area surrounding White City includes different forms of housing, charting the history of housing development in London with pre- and post-war estates at high and low density, Victorian terraces and mansion blocks. Immediately north of the OA are a number of streets with consistent 2 storey terrace dwellings. To the north-east are North Kensington and the Oxford Gardens Conservation Area which feature good quality terraced housing, while to the east and south of the Westway, the Stable Way gypsy and traveller site sits in a pocket of land between the roads of the Westway junction. Beyond the OA boundary to the east are several clusters of residential towers in the Lancaster West, Silchester and Edward Woods estates which comprise 21-24 storey blocks. To the south and south west of the opportunity area, the area comprises a mix of housing around the town centre, predominantly consisting of Victorian terraced housing.

Council estates make up a significant part of the housing stock within the Opportunity Area. The Wood Lane estate is a tightly packed development of two to four storey townhouses with integral porches, terraces and balconies, ramps and stairs, with an emphasis on private entrances in a generally pedestrianised environment. The White City Estate is characterised by larger 5/6 storey blocks of flats set to a regular perpendicular plan with external corridor access. Mature trees line the grid of streets in the estate with generous open spaces provided between the buildings. The estate also features several community facilities and local shops, churches and schools, which all form a strong central focal point for residents. The nearby Batman Close Estate features buildings of 3-5 storeys around a large area of central open space.

The OA has a considerable amount of residential accommodation in White City West (the White City, Batman Close and Wood Lane estates) and the town centre (the Charecroft estate, buildings around the Common and streets in the north, west and south of the centre). Some new residential housing has been built more recently as part of the Westfield shopping centre development. Imperial College London has been granted planning permission for 201 dwellings (in addition to post graduate accommodation), Westfield has gained outline planning permission for a further 1,347 dwellings as part of their extension which is a mixed use scheme. Helical Bar/ Aviva have a resolution to grant planning permission for a scheme that includes 1,150 dwellings although the site has now been sold to Imperial College London. In the south of the OA, the Core Strategy promotes the regeneration of Shepherds Bush Market with a mix of uses including residential. Planning permission has been granted on this site to include 197 residential units. Development sites in White City East provide the



opportunity to build new high quality housing as part of mixed use developments. These sites are BBC Media Village, Loftus Road Stadium and the Territorial Army Centre. The working total of homes that can be accommodated in the White City area for the purposes of this bid is 5,687 homes, but we expect that figure to rise.



OAPF does not set out proposals for redevelopment or physical regeneration of the estates in White City West but the LBHF Core Strategy seeks to ensure that development of largely privately owned land can capture the opportunity for existing communities, in terms of provision of jobs, opportunities to move to more appropriate housing, new facilities and the creation of a more sustainable, mixed and balanced community. There may be opportunities for additional student housing in the OA. The preferred location of this would be in White City East although this provision should not compromise the potential for that area to provide family housing.

The GLA London Strategic Housing Market Assessment (SHMA) shows there is a considerable need to increase the stock of family sized affordable homes. The Mayor's draft revised London Housing Strategy (2011) sets out that 36% of affordable rented homes allocated funding in 2011-15 will have three or more bedrooms, and sets out a long-term aim for half of affordable homes to be family-sized. The early alterations to the London Plan also give much stronger priority to the delivery of affordable family-sized homes. The Council's Development Management Local Plan policy DMA3 seeks 15% of intermediate as 3 or more bedroom dwellings. The table below shows the tenure mix in White City, based on the 2011 Census.

Tenure in 2011 Census	London	H&F	White City Opportunity Area	
	%	%	Number	%
Owned	49.5%	35.6%	839	19.5%
Rented from Council	13.5%	15.7%	1,870	43.3%
Other social rented (e.g. RSL)	10.6%	15.4%	399	9.2%
Total Social Rented Housing	24.1%	31.2%	2,269	52.5%
Private rented or living rent free	26.4%	33.3%	1,206	28%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>4314</b>	<b>100%</b>

The housing mix on the existing estates does not match the needs of residents as well as it could; 18% of residents are living in overcrowded conditions and there is a general need to improve the dwelling mix in favour of family dwellings. New social rented housing should be provided in a range of sizes to provide opportunities for residents to re-house, in accordance with the LBHF Development Management Local Plan policy DMA3. The development taking place in White City East could provide

an opportunity for White City West estate residents to move to a home in any of the new developments, especially those who consider themselves to be living in less than ideal circumstances or environmental conditions.

Development within White City East could provide:

- New social rented housing of the right sizes and types which would provide opportunities for transfers to alleviate overcrowding or to obtain housing more suited to a tenant's needs.
- Intermediate housing (e.g. shared ownership, shared equity, discounted market sale) at the right price levels which would enable existing tenants who can afford to move into home ownership to do so while remaining in the same area. It would also provide opportunities for owner occupier leaseholders who need or wish to move.

The benefits of regeneration will be complemented by the establishment of a neighbourhood level community budget in the area. White City is one of 10 pilot areas chosen by the Government in December 2011 to develop a small scale community budget, in 2012/13, that gives residents a local level say over the services they want and use. The aim of community budgeting is to pool central and local government spending into a single budget pot, involve residents far more in how that money is spent and ensure that spending is focused on improving the life chances of the people living in the area, helping to tackle unemployment, relatively low educational attainment and high levels of crime. The local community are playing a leading role, working with the local council and other services, to shape services so they work from the community's perspective. A package of support will be agreed with the Government.

### Retail

The image below shows the three retail anchors (W12 Centre, Shepherds Bush Market, Westfield Shopping Centre) with which the intention it to help establish the long term viability of Shepherds Bush town centre as a Metropolitan Centre.



Retail frontages along Goldhawk and Uxbridge Road connect the W12 Centre, Shepherds Bush Market and Westfield Shopping Centre. Each anchor and retail frontage provides a unique offer that is attractive to many different communities and cultures and helps the town centre to remain vibrant. This diversity of the retail offer is an inherent strength of the town centre.

Shepherd's Bush Market has long been considered a valuable asset to the town centre for stocking a wide range of goods and services and providing an attraction London-wide, both for its goods and for exemplifying a traditional London market with a distinct character for its cultural diversity. Plans to regenerate and enhance the market land through refurbishment, repair and diversification of the retail offer are set out in the Core Strategy policy for Strategic Site WCOA3.

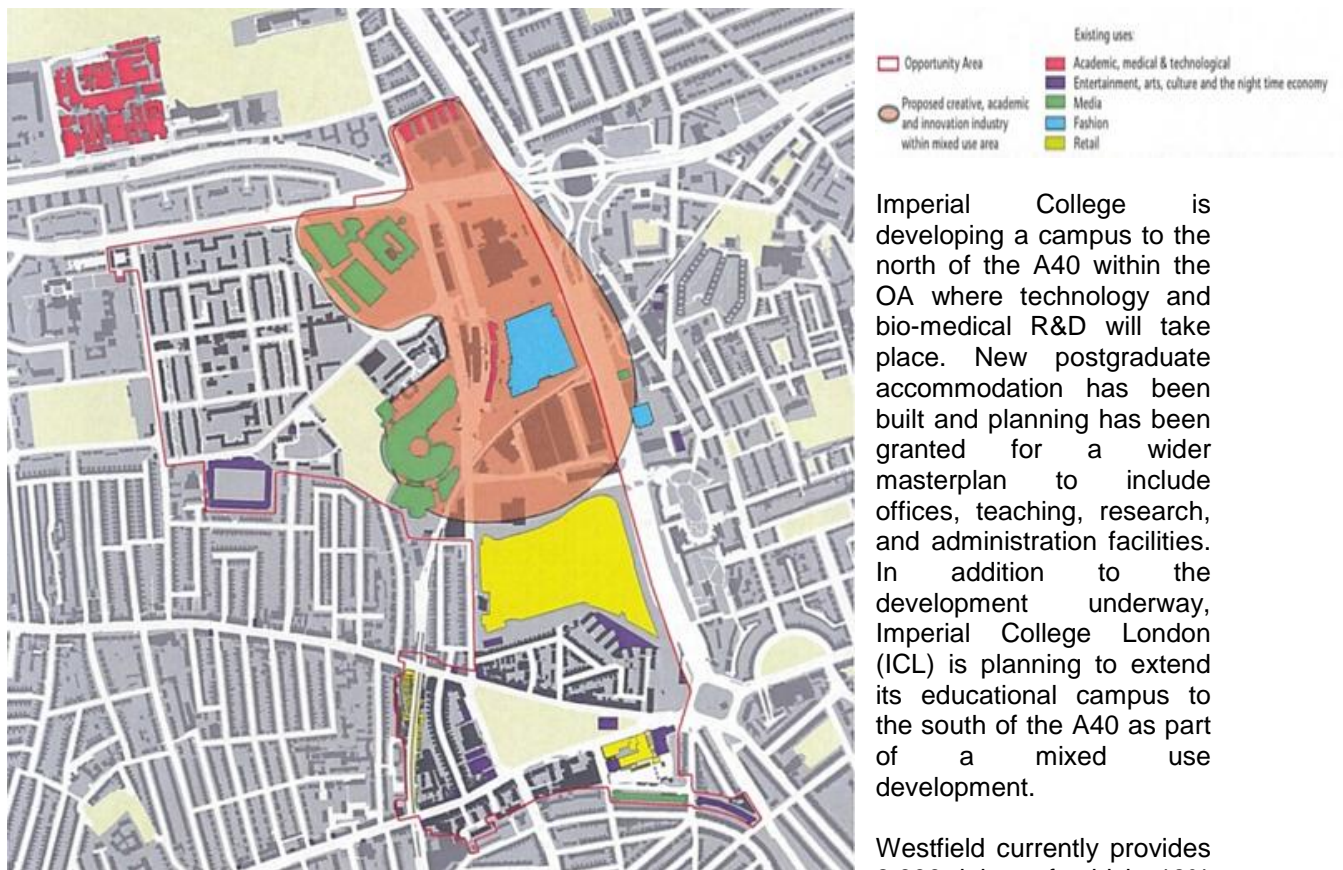


The town centre is the key location for arts, cultural and leisure facilities in the OA, as well as for related hospitality and tourism. It has a longstanding reputation for a vibrant night time economy, with venues such as the Shepherds Bush Empire, Bush Theatre, two cinemas, the Ginglyk, and numerous other pubs, restaurants and bars. The promotion of the night-time economy must strike an appropriate balance with the residential uses in and around the town centre. LBHF DMLP policy DM B2 states that permission will be granted for new visitor accommodation and other facilities in the town centre subject to certain criteria being met; and any proposals must have regard, in particular, to Policy DM D2.

The extension of retail and town centre uses (especially major leisure) north of Westfield would also support the proposed commercial uses in White City East and could help improve the planning of the entire area, allowing for a gradual transition from the town centre and retail uses to more community, leisure and residential uses. Planning permission was granted in 2012 for Westfield to extend the Town Centre retail and leisure offer to the north of Westfield towards the Hammersmith and City London Underground line viaduct.

## Employment

The Opportunity Area today is home to world-class institutions, companies and facilities, many of which have created a local market for creative and industrial uses, providing opportunities for small and entrepreneurial businesses. The BBC will continue to be a key presence for programme-making and research and development (R&D) in the BBC TV Centre and Media Village.



There is also a strong fashion industry presence in and around the OA with Net-A-Porter, Monsoon Accessorize and the London College of Fashion in close proximity, as well as the Shepherd's Bush Market fabric shops within the town centre, which remain a rich resource for young designers.

The London Plan and Core Strategy policies indicate potential for up to approximately 10,000 new permanent jobs in the OA as a result of its regeneration. White City has an established employment base. New employment should build on this presence, capitalising on the presence of enabling existing businesses to thrive and expand and providing opportunities for new businesses to locate to the area.

White City East would be ideally positioned to deliver on the key criteria needed to attract office-based creative industries and academic uses because it offers:

- A potential mixed-use setting with local amenities, including cafes, restaurants, hotels and leisure
- Homes and jobs in one area to reduce the need for commuting
- Quality public realm and physical environment
- Links with educational institutions
- Proximity to Park Royal
- Key transport links to the Central Activities Zone (CAZ) and Heathrow Airport

*Source: White City Opportunity Area Planning Framework (Oct 2013)*

## Section 4 - Mayoral and Borough Strategies

The White City area covering 110 hectares with the potential to host 6,000 homes, has been designated an Opportunity Area by the Mayor of London. They are defined as follows: *“Opportunity areas are the capital’s major reservoir of brownfield land with significant capacity to accommodate new housing, commercial and other development linked to existing or potential improvements to public transport accessibility. Typically they can accommodate at least 5,000 jobs or 2,500 new homes or a combination of the two, along with other supporting facilities and infrastructure.”*

In his Draft Further Alterations to the London Plan (Jan 2014), the Mayor expects Opportunity Areas (and Intensifications Areas) as “to make particularly significant contributions towards meeting London’s housing needs.” The FALPs document also states that in the White City Opportunity, *“Housing-led intensification should support local regeneration, enable estate renewal and seek a mixed and balanced community.”*

Hammersmith & Fulham’s Core Strategy and Housing Strategy both highlight the White City area as a strategic priority for the Borough. Delivery of the proposed revised Annual Monitoring Target of 1,031 homes for the 2015/25 period relies on strategic opportunities presented by opportunity areas and other regeneration opportunities to deliver new housing, particularly new affordable housing.

Key objectives for achieving the vision for the White City Opportunity Area are as follows:

- 1. Provide mixed use commercial development:** Encourage offices, hotels and flexible work spaces to shape and continue the growth of the economic sector; Capitalise on existing activities in the area and encourage spaces that can offer creative, media, bio-medical research and development industries that build on the presence of the BBC, Imperial College London, Westfield and Hammersmith Hospital.
- 2. Reinforce and connect with the town centre:** Provide opportunities for the extension of town centre activities northwards to better connect the Westfield Development with the area to the north; Improve the public realm to provide north south connections to and from the town centre.
- 3. Creation of new housing and opportunities:** Capacity for over 5,000 new homes in White City East together with additional student housing; Encourage a broad range of tenures, house sizes and affordability, including housing that is affordable to young families, middle income earners who cannot afford to buy on the open market and key workers and households who are neither wealthy nor able to qualify for access to affordable rented; Explore opportunities for the regeneration of the estates if financial viability and funding improves and if developments can afford to provide sufficient amounts of social rented housing.
- 4. Maximise Connectivity:** Provide pedestrian and cycling connections under and over major transport infrastructure; Provide road access and circulation on key development sites; Respond to the increases in population with transport infrastructure improvements
- 5. Create high quality public realm and open space:** Ensure the provision for a large public open space, White City Green to be at the heart of the new mixed-use area; Encourage other smaller areas of open space that reflect the existing nearby urban context; that enhances local identity and contributes to secure, healthy and accessible environments. Provide a network of routes that improve permeability and connectivity between areas of open space, community, transport facilities, homes and jobs.
- 6. Increase employment opportunities:** Increase capacity for 10,000 new jobs to be provided across the OA and improve access to training initiatives and apprenticeships.
- 7. Provide social and community facilities:** Ensure sufficient access to a range of schools, health, leisure and community facilities to support the increased population and benefit local people where possible.
- 8. Provide innovative sustainable, energy solutions:** Explore the potential for a district energy masterplan that could be shared between major landowners and link with nearby areas. Explore opportunities for shared and co-ordinate approaches to waste and freight.

Source: *White City Opportunity Area Planning Framework (Oct 2013) with minor updates.*

## Section 5 - White City Sites and States of Play

The diagram below sets out the scale of opportunity that the White City area represents. At least 5,000 homes will be built and 10,000 jobs created. Each of the numbered sites below is those that we expect to come forward for development in the next 20 years.

- Site 1 - Imperial College London
- Site 3 - BBC Media Village
- Site 4 - Former Dairy Crest Site / Imperial College London
- Site 5 - QPR Loftus Rd Stadium
- Site 8 - Territorial Army Centre
- Site 10 - Former M&S Site / St James
- Site 11 - BBC TV Centre / Stanhope
- Site 12 & 13 - Westfield Shopping Centre Extension and Residential (including DIMCO building)
- Site 15 - Shepherds Bush Market / Orion



The remaining sites (including the 'White City Estates') do not form part of this Housing Zone proposal. For reference the remaining sites are: Site 2 - White City Estate; Site 6 - Batman Close; Site 7 - Hammersmith Park; Site 9 - Wood Lane Estate; Site 12 - Ariel Way Industrial Estate; Site 14 - Westfield Retail Site; Site 16 - Shepherds Bush Common; Site 17 - W12 Shopping Centre. As part of the wider Housing Zone process, these sites, some of which may come forward for consideration, will

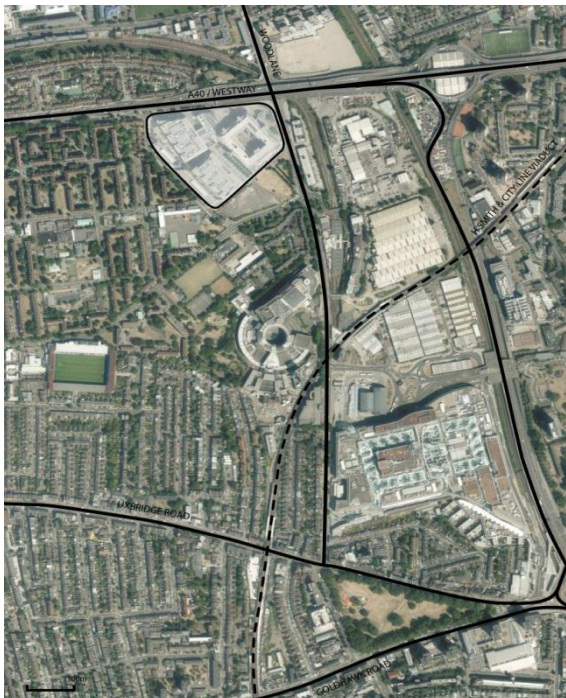
become part of the wider regeneration process envisaged in the Opportunity Area Planning Framework (OAPF) document.

**Site 1 – Imperial College London**



<b>Planning Status</b>
In November 2010, ICL had their application approved for 606 post-graduate student housing blocks and 9 key worker homes. This was in advance of the OAPF but in consultation with the Council and GLA who were developing a Masterplan for the site. In December 2012, ICL had their application approved to deliver a 9 storey building including a new health centre, day nursery and café, academic offices, a hotel and a gym, and a 34 storey building comprising 192 residential units including ground floor restaurants and cafés. As well as being the recipient of a government grant to support this project, ICL is the beneficiary of a £40m donation from Michael Uren OBE to build a Biomedical Engineering Hub.
<b>Site Unit Capacity (Approx)</b>
192 residential units including 59 key worker accommodation

**Site 3 - BBC Media Village**



<b>Planning Status</b>
No substantive pre-application received. Potential for negotiating on the envisaged affordable unit delivery. Meetings held to discuss options but no confirmation.
<b>Site Unit Capacity (Approx)</b>
1025

**Site 4 – Former Dairy Crest Site / Imperial College London**



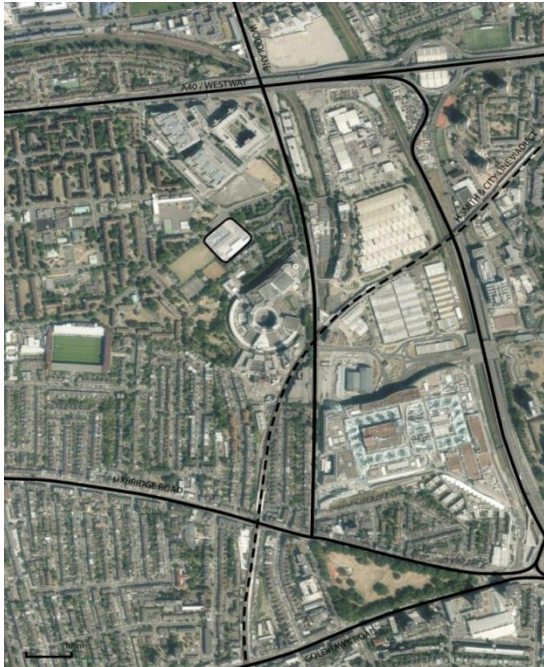
<b>Planning Status</b>
<p>The previous owners submitted a part outline; part detailed planning application for a residential led mixed use development including 1,150 homes. The scheme has resolution to grant planning permission and also sought to provide a new bridge link over the Central Line cutting, as suggested in the WCOAPF master plan. The land has since been purchased by ICL and It is likely that the housing to be provided might be reduced as ICL have aspirations for an educational campus as part of a mixed use development. Some housing is likely to be made available to Students and key workers. No pre-application yet received.</p>
<b>Site Unit Capacity (Approx)</b>
<p>N/A. Site sold to Imperial and plans in development.</p>

**Site 5 – QPR Loftus Rd Stadium**



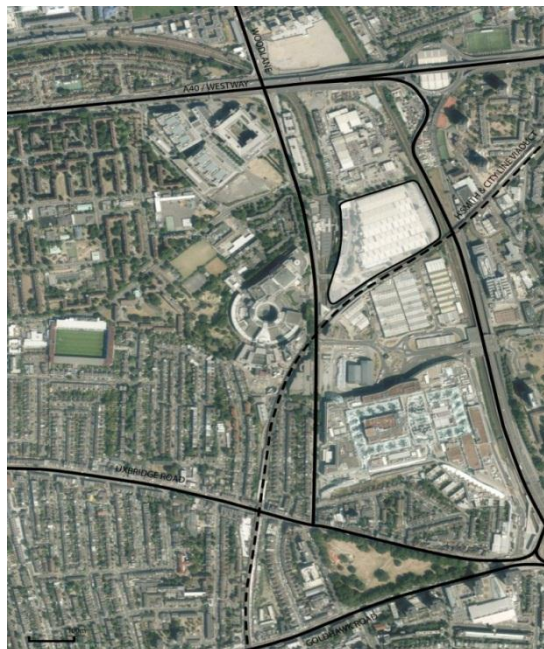
<b>Planning Status</b>
<p>No substantive pre-application received. Relocation of current occupiers of the Loftus Rd stadium will influenced by ongoing discussions regarding the regeneration of the Old Oak Common Opportunity Area. Potential for negotiating on the envisaged affordable unit delivery.</p>
<b>Site Unit Capacity (Approx)</b>
<p>380</p>

**Site 8 – Territorial Army Centre**



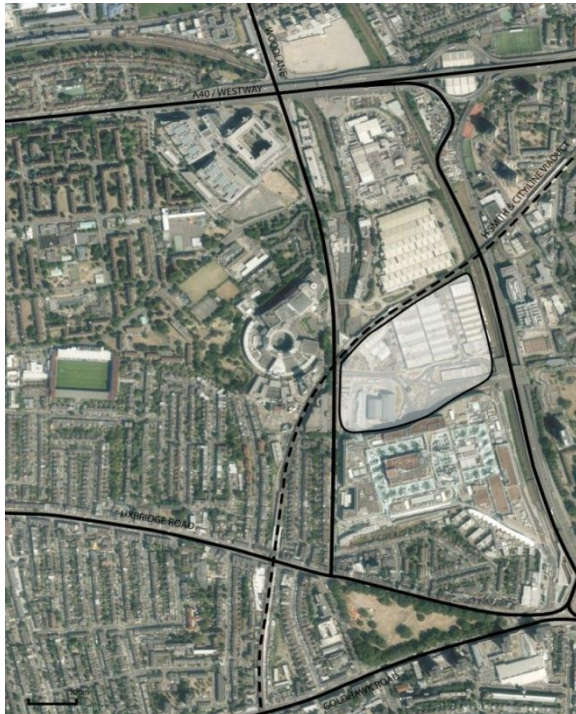
<b>Planning Status</b>
No substantive pre-application received.
<b>Site Unit Capacity (Approx)</b>
146

**Site 10 – Former M&S Site / St James**



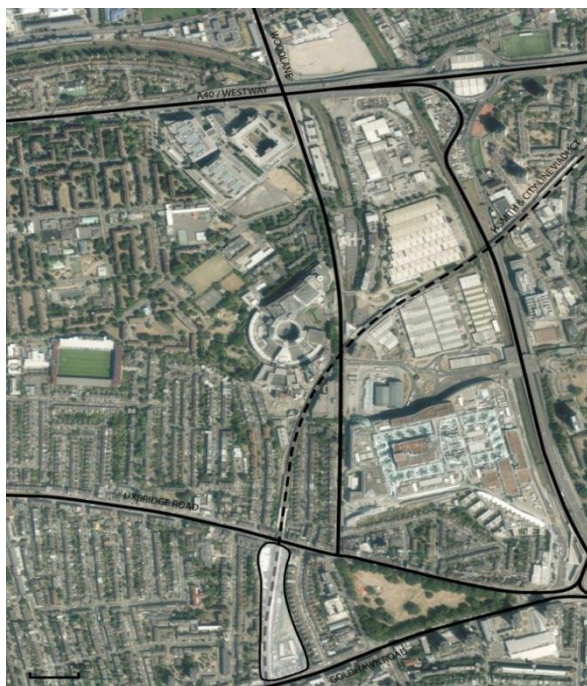
<b>Planning Status</b>
Planning application expected in Autumn 2014. Extra Care scheme being considered as part of the affordable offer.
<b>Site Unit Capacity (Approx)</b>
1400

**Site 14 – Westfield Shopping Centre**



<b>Planning Status</b>
On 5 September 2014, Westfield had their planning application approved for plans to provide 1,347 residential units and 50,000sqm of new retail, restaurant and café space, and some leisure, community and office use. There is a review mechanism in the Westfield Section 106 but it is unclear as to when it will be triggered as the phasing for delivery of the development plans has not yet been confirmed. There is however an agreed cap on the amount of affordable units that can be provided, set at 18.6% which equates to 250 units.
<b>Site Unit Capacity (Approx)</b>
1347 (+140 in a separate permission for phase E and F)

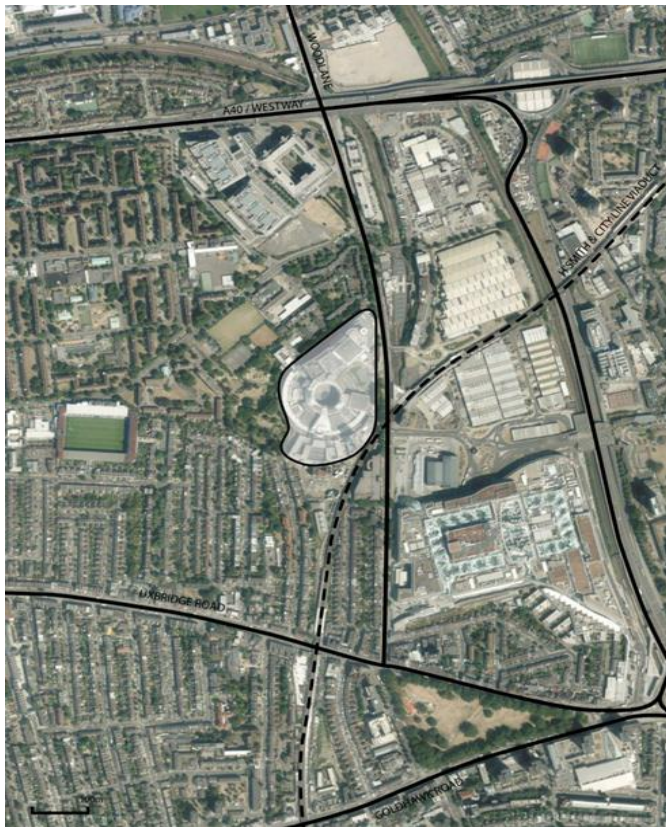
**Site 15 – Shepherds Bush Market**



<b>Planning Status</b>
Planning consent granted, with scheme currently being reviewed to increase affordable housing provision.
<b>Site Unit Capacity (Approx)</b>
197



**Site 11 – BBC TV Centre**



<b>Planning Status</b>
Revised planning application to be sought in 2014.
<b>Site Unit Capacity (Approx)</b>
1025

In Section 7, we deal more fully with how we envisage the delivery of homes on these sites rolling out. We do not expect them all to deliver in the 2015/25 timeline, but a completion of the batch of sites identified at the beginning of the section can reasonably be expected in 2015-2030, subject to a range of regional and national factors, not all of which are in the gift of the local and regional authorities for the area.

On the issue of the White City Estates, these sites are identified on the OAPF map on Page 12 that opens this section. The buildings and wider environment, subject to continuing effective asset management approaches, are considered to be in decent condition and at present no redevelopment of the Council Estates are proposed. This may be reviewed over time as the non-estates redevelopment opportunities identified in the Opportunity Area Planning Framework roll out. But for the purpose of this Housing Zone document, no estates redevelopment proposals feature.

## **Section 6 - Housing Zone Funding Approach**

The simple overall objective of this Housing Zone Bid is to increase the amount of affordable housing delivered in the White City Opportunity Area. The sums that we are seeking are relatively small to assist the outcome we are seeking. A 'no intervention' approach would facilitate the delivery of at least 12% affordable housing in area that will eventually host over 5,687 homes. This would equate to c 682 homes, excluding any additional homes yielded from scheme review mechanisms in place. If a policy compliant quantum of some 40% affordable housing was delivered over the entire 5,687 home site, this would equate to 2,274 affordable homes. So the scale of the opportunity is enormous and accessing the funding we are seeking will help deliver a larger quantum of affordable housing, without an intervention. Achieving affordable housing delivery closer to the 40% policy target is the over-riding objective and will continue to be on schemes coming forward in the White City Opportunity Area. This would provide an example of how local authority and GLA interventions can arrest and reverse the trends of major new regeneration projects providing minimal amounts of affordable housing. As part of our new approach, we wish to engage more proactively with Affordable Housing Registered Providers to play their part and bring their expertise to build more affordable homes, but ensure they are well designed and well managed.

With the Section 106 review mechanisms along with the recent change in administration and consequent higher priority for provision of affordable housing; improving conditions in the housing economy; coupled with a changed approach, the Borough is confident that 20% affordable housing provision can be achieved on residential and residential-led mixed use developments in the White City area without recourse to public funds. Based on the most recent negotiated percentage of affordable housing (which involves the scheme review mechanism working to full effect), affordable housing provision could reach 22.5%. Where schemes are not residential-led, it may be harder to deliver the baseline target.

We are therefore confident that for future schemes, the 20% figure affordable housing provision can be secured without recourse to public grant. By applying additional resources whether through intention to apply Housing Zone resources (if required) and also Affordable Housing Programme resources, the GLA and the Council can proactively facilitate the delivery more affordable housing closer to the policy compliant figure of 40%.

The approach for funding is based on the following guiding principles:

- New affordable housing should be 60% social rent, 40% intermediate
- Any proposal for funding for affordable housing over the 20% quantum from developers (likely to be provided by Registered Providers) will need to be preceded by a viability study which establishes that funding is needed. This may establish that more than 20% can be provided without grant.
- The mix of affordable housing over and above the 20% should be a policy compliant mix of house types
- The Registered Provider concerned should be an approved partner of Hammersmith & Fulham Council for the White City Opportunity Area
- Funding provided from the Housing Zone Fund (plus private finance that can be raised matched with any other resources) is acknowledged to be not sufficient to purchase the open market value price of homes developed in White City. However, It should be considered an incentive from the to help meet the Council's requirement for an adequate affordable housing settlement
- This Housing Zone Fund proposal should be considered a 'Pilot' bid for resources, with the flexibility for the GLA (and Council) to 'top up' the fund at future points in time as the White City schemes roll out.
- Future GLA Affordable Housing Programme resources should be ring-fenced for White City
- Consider how the site at Loftus Rd and the wider regeneration proposition at Old Oak Common could be linked, accelerating the football club's relocation, accelerating the delivery of housing capacity in both the White City and old Oak Common Borough Opportunity Areas.

To help secure additional affordable housing, we will:

- Seek to ensure that the Developer's preferred Registered Provider is in place early on in the negotiation process to help ensure affordable housing requirements, e.g., tenure, bedroom mix; property types; service charge arrangements; and most critically – affordability - are discussed and understood by all parties at the earliest stages of discussions.
- Refine our approach to the Scheme Review Mechanism whereby additional surpluses (over and above a pre-agreed internal rate of return) created from development funds additional affordable housing. We will want to ensure that such additional surpluses are ploughed back into the scheme to generate social and economic value through more social and intermediate housing. We may also wish to convert proposed intermediate and affordable rent homes to social rent homes.
- Intensify our approach to programme managing the delivery of outcomes in the White City Opportunity Area to ensure commitments on jobs, housing and other socio-economic and other planning obligations are met. We wish to ensure that people from the local area gain full access to the opportunities created, which may include the adoption of a Local Lettings Plan which keeps open the opportunity for a discussion on how the White City Estates on the West side of the Opportunity Area can gain access to the opportunities on the East side.
- Invite Private and Affordable Housing Developers to propose innovative Intermediate Housing products that are attractive to applicants, gain some advantage of house price growth (and accepting the risk of house price deflation), allowing future occupiers to fulfil their wider lifetime ambitions.
- Ensure all parties are aware of the existence of the Housing Zone Fund and its purpose including the requirement for 20% affordable housing without grant. A more flexible approach to Affordable Housing Programme (i.e., ensuring that the continuous marketing engagement process is not subject to 'opening and closing times') will give the GLA and the Council greater flexibility to deliver desired outcomes.

The relatively small amounts of Housing Zone funding we are seeking from the GLA should be seen as a catalyst for a broader change of approach to the whole area. Two major applications expected in Strategic Sites WCOA1 are programmed for implementation during the 10 year period (subject to planning approval) of this proposal at the time of writing, so the timing of the bid should be considered advantageous.

## **Section 7 - Resources Sought and Trajectory Assumptions**

The development values associated with the White City area are high. The current viable affordable housing provision in the White City area is emerging at 12%. However, the potential exists to increase this up to a range of between 15%-19% through the application of a scheme review mechanism which facilitates the capture of additional revenue generated from development to be ploughed back into the scheme to generate additional affordable housing. The principle of this approach is set out in Section 2.24 of the White City OAPF document.

The change in administration in May 2014 has led to expectations of significantly increased affordable housing from the development pipeline, with projects in the Opportunity Areas a particular priority. Secured levels of affordable housing provision to date have been impacted by the high costs of enabling infrastructure. Viability tests have demonstrated that 12% affordable housing provision is broadly viable. The consented schemes include review mechanisms which provide opportunities to increase affordable housing provision. This has provided the basis for developers being prepared to bring forward sites for development. We need now to explore what other measures there are to increasing the quantum of affordable housing delivered, hence this Housing Zone bid.

Open market values (OMVs) are expected to be in the region of £500k for a one bedroom home; £700k for a two bedroom home; and £900k for a three bedroom home. The OMVs identified are extremely challenging in affordability terms but unsurprising given the current market. It captures in 'micro terms' the challenges associated with delivering affordable housing in high value locations, which this bid is seeking to address. Indicative levels of grant that would be required to convert a private unit to affordable are prohibitively high. To a degree this encapsulates in micro terms the challenge of delivering affordable housing in high value, central London locations which White City is planned to become.

However, the challenge to be met by this Housing Zone proposal is to significantly increase the delivery of affordable housing and through the use of different approaches to increasing delivery set out in the previous section. The Borough needs to take a view on what grant it can reasonably seek given the total available to the capital's boroughs and also what itself can match fund.

The Borough is keen to progress this way of working with the caveats that the approach is:

- high risk in terms of success/failure, but limited financial risk to the Borough and GLA
- a first phase of funding for what could form the basis of a wider strategic approach involving Affordable Housing Programme resources
- a mechanism that can be used for different sources of funding
- limited to a reasonable and deliverable maximum number of homes
- using funding flexibly with relatively small amounts of grant to homes that are delivered through the scheme review mechanism, leaving potentially larger amounts of grant available for funding other housing tenures

In addition, it is predicated on an understanding by developers that the change in administration has prompted an expectation of an increased offer of affordable housing. Housing Zone funding, however modest, should be seen as an incentive for developers to engage.

In that vein, the Borough is seeking £10,000,000 (£10m) of GLA grant funding which will be matched (subject to Cabinet agreement) by £2,500,000 (£2.5m) of commuted sums from the Borough. We estimate that we would be able to deliver an additional 160 affordable homes during the 2015/25 financial years. We see this as a first phase of funding which could be enhanced (or 'topped up') with a view to making the approach work for later phases of White City (and potentially Old Oak Common), where the development potential is similarly significant, as identified in the respective Opportunity Area Planning Framework published by the Mayor of London and the Boroughs of Brent, Ealing and Hammersmith & Fulham in December 2013.

Regarding how the arrangements would work, the Council would enter into a Delivery Framework Agreement with the GLA. This would provide the basis for contractual agreements between the Registered Providers contracting with the GLA to deliver affordable homes in the current fashion. The

Council's grant arrangement to the Registered Provider concerned could be triggered at the same points through use of a pre-agreed standardised grant agreement. Such drafting could be agreed at the Delivery Framework stage. We do not propose to be the delivery agent.

The delivery trajectories overleaf indicate that there is clearly sufficient capacity for the White City area to accommodate an additional 160 homes over the current trajectory of 12% of affordable housing. If affordable housing delivery were raised from 12% to 20%, that would equate to an additional 455 affordable homes. Some additional housing above 12% should be generated from the successful operation of scheme review mechanism which will be dependent on a number of factors. A further increase from 20% to 25% would equate to 284 affordable homes.

We have intentionally sought not to earmark funding to particular projects. We see the Housing Zone Fund as a facility that can be accessed to realise additional affordable housing. Developers should be directed to the facility by the respective housing, regeneration and planning officers at the GLA and the local authority responsible for delivering affordable housing in the White City Area.

With the Housing Zone funding, we are seeking to effect a significant uplifting of affordable housing delivery in the White City area. The funding alone will not achieve that, but with other interventions it has the potential to deliver affordable housing towards the 40% policy target. As part of this bid (for the present, excluding Affordable Housing programme resources), we are adopting a cautious approach, also mindful of the limited level of funding is available from the GLA Housing Zone initiative.

### **Housing Trajectories**

The delivery of housing in the White City area will be subject to a range of factors, an element of which is in the Council's and GLA's control. An over-arching requirement will be a national and regional economy that continues its climb out of recession, which appears to be influenced by a continuing historically low level of Bank of England base interest rate. How the housing market responds to relatively small uplifts in the interest rate is a matter for speculation, but it seems reasonable to assume that investors will become more cautious in that event. We are also advised that build cost inflation is likely to increase in the next few years which is another risk to be acknowledged.

What we have set out below are some assumptions, based on local knowledge of the sites and the organisations involved, we have set out how we feel the trajectory will play out. Forecasts are by nature speculative. But assuming that the Housing Zone proposition starts in 2015 we can be reasonably confident that construction and some delivery of new homes will occur in the first five years given the recent consent granted to Westfield to build 1,347 market and affordable homes. Revised and new planning applications for the BBC TVC and M&S sites respectively are expected within the next twelve months. It would be easy but misleading to forecast that all housing delivery will be completed in the 10 year Housing Zone timeframe. Whilst proposals to relocate QPRFC are in the public domain, any permanent relocation (or even temporary relocation or ground share should the need arise) will be subject to many factors including what approach to planning and development the respective planning authorities wish to adopt. Our forecast on delivery for this site may need to 'slip'. We are not aware of appetite on the part of the owners and occupiers on Territorial Army site to relocate from their current base. We must also be mindful of what quantum of housing developers are able to complete in any given year and also what quantum they may wish to market, avoiding the risks associated with 'flooding the market', notwithstanding the advantages of overseas marketing which we do not want to encourage. We must also be mindful of not seeking an affordable housing quantum that makes the development of individual sites unviable.

On the four tables that follow, we set out a number of figures which feature 'Without Housing Zone' and 'With Housing Zone' scenarios. On assumptions, we believe the quantum of development proposed for each site are reasonable. Forecast trajectories are based on discussions with officers familiar with the schemes, which will be by nature subject to change. We have not made allowance for redevelopment of sites on the White City Estates (see note at the end of Section 5). We are aware of the possibility of homes proposed for the Dairy Crest site, but have chosen to treat this as having no homes proposed until otherwise advised. On the Westfield site, an additional c 150 homes are likely to be realised from the development of sites E and F, currently outside the 2014 consent. There are

other small to medium sites that may be introduced in later stages of this process, so the sites identified below and in Section 5 should not be treated as exhaustive.

**Table 1 Total Housing Delivery Trajectory** below illustrates the overall market and affordable housing trajectory we are forecasting for the ten year timeline. The current overall capacity of the area is considered to be just under c 5,700 homes, but we expect this figure to rise.

Year	Dairy Crest	BBC TV	Westfield	Imp College	M&S	QPR	TA Centre	BBC Media	SBM	Total
2015/16	0	0	0	0	0	0	0	0	0	0
2016/17	0	0	0	0	0	0	0	0	0	0
2017/18	0	0	0	192	0	0	0	0	97	289
2018/19	0	125	47	0	0	0	0	0	100	272
2019/20	0	125	102	0	0	0	0	0	0	227
2020/21	0	125	255	0	250	0	0	0	0	630
2021/22	0	125	255	0	250	0	0	200	0	830
2022/23	0	125	255	0	250	190	0	200	0	1020
2023/24	0	125	255	0	250	190	0	200	0	1020
2024/25	0	125	0	0	250	0	0	200	0	575
2025+	0	150	178	0	150	0	146	200	0	824
<b>Total</b>	<b>0</b>	<b>1025</b>	<b>1347</b>	<b>192</b>	<b>1400</b>	<b>380</b>	<b>146</b>	<b>1000</b>	<b>197</b>	<b>5687</b>
Grand Total of White City Projects			5687							

**Table 2 – Affordable Housing Delivery ‘No Housing Zone Intervention** below illustrates what may occur if no interventions are undertaken to uplift affordable housing delivery. There may well be increases due to improving market conditions; a change in negotiating approach etc, but we believe that a Housing Zone approach will provide the necessary impetus to achieve the step change above what we set out below. This table excludes potential gains from the successful operation of the scheme review mechanism, as per the principle set out in the White City Framework.

Year	Dairy Crest	BBC TV	Westfield	Imp College	M&S	QPR	TA Centre	BBC Media	SBM	Total
2015/16	0	0	0	0	0	0	0	0	0	0
2016/17	0	0	0	0	0	0	0	0	0	0
2017/18	0	0	0	59	0	0	0	0	8	67
2018/19	0	71	0	0	0	0	0	0	9	80
2019/20	0	0	0	0	0	20	9	0	0	29
2020/21	0	0	0	0	95	20	9	20	0	144
2021/22	0	50	80	0	0	0	0	20	0	150
2022/23	0	0	80	0	0	0	0	20	0	100
2023/24	0	0	0	0	95	0	0	20	0	115
2024/25	0	0	0	0	0	0	0	25	0	25
2025+	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>121</b>	<b>160</b>	<b>59</b>	<b>190</b>	<b>40</b>	<b>18</b>	<b>105</b>	<b>17</b>	<b>710</b>
% AH	0	12	12	31	14	11	12	11	9	12
Grand AH Total of White City Projects			710							
Overall AH %			12%							

**Table 3 – Affordable Housing Delivery at 20%** illustrates a 20% position without recourse to public funding and some impact from a Housing Zone approach. This illustrates the scheme review mechanism working to full impact on some schemes. Whilst this table is not contingent on Housing Zone funding, it does necessitate a more intensive negotiating approach to yield the housing numbers described.

Year	Dairy Crest	BBC TV	Westfield	Imp College	M&S	QPR	TA Centre	BBC Media	SBM	Total
2015/16	0	0	0	0	0	0	0	0	0	0
2016/17	0	0	0	0	0	0	0	0	0	0
2017/18	0	0	0	77	0	0	0	0	18	95
2018/19	0	121	0	0	0	0	0	0	21	142
2019/20	0	0	0	0	0	54	20	0	0	74
2020/21	0	0	0	0	187	22	9	50	0	268
2021/22	0	53	169	0	0	0	0	50	0	272
2022/23	0	0	82	0	0	0	0	50	0	132
2023/24	0	0	0	0	93	0	0	50	0	143
2024/25	0	0	0	0	0	0	0	0	0	0
2025+	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>174</b>	<b>251</b>	<b>77</b>	<b>280</b>	<b>76</b>	<b>29</b>	<b>200</b>	<b>39</b>	<b>1126</b>
% AH		17%	19%	40%	20%	20%	20%	20%	20%	20%
Grand AH Total of White City Projects				1126						
Overall AH %				20%						

**Table 4 – Affordable Housing Delivery at 25% ‘With Housing Zone’** gives an indication of what could be achieved if an additional 5% affordable housing were yielded to that described in Table 3. Housing Zone funding in exclusion could deliver an additional 3% (i.e., 60%) of the 5% identified, but excludes the potential impact of additional Affordable Housing Programme resources and any additional impact from adopted scheme review mechanisms. The number of additional affordable homes delivered will be dependent also on what tenure is sought, as smaller intermediate homes are less expensive to deliver than family affordable/social rented homes.

Year	Dairy Crest	BBC TV	Westfield	Imp College	M&S	QPR	TA Centre	BBC Media	SBM	Total
2015/16	0	0	0	0	0	0	0	0	0	0
2016/17	0	0	0	0	0	0	0	0	0	0
2017/18	0	0	0	77	0	0	0	0	18	95
2018/19	0	121	0	0	0	0	0	0	21	142
2019/20	0	0	0	0	0	80	30	0	0	109
2020/21	0	0	0	0	276	32	13	74	0	395
2021/22	0	53	169	0	0	0	0	74	0	296
2022/23	0	0	82	0	0	0	0	74	0	156
2023/24	0	0	0	0	137	0	0	74	0	211
2024/25	0	0	0	0	0	0	0	0	0	0
2025+	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>174</b>	<b>251</b>	<b>77</b>	<b>413</b>	<b>112</b>	<b>43</b>	<b>295</b>	<b>39</b>	<b>1404</b>
% AH		17%	19%	40%	30%	30%	29%	30%	20%	25%
Grand AH Total of White City Projects				1404						
Overall AH %				25%						

Further forecasts of what additional affordable housing could be yielded up to 40% can be extrapolated, but what we are seeking to demonstrate is that an additional 284 affordable homes could be delivered using a Housing Zone approach from the 20% to 25% scenario, leaving aside the gain c 455 affordable homes from the 12% to 20% uplift. If the forecast of affordable housing were increased further to 30%, then the increase in affordable would be a further 284 homes, based on the 5,687 home quantum of development assumed. Clearly, if that quantum figure were to rise, then the affordable housing figure would rise also, contributing to a larger quantum.

In conclusion, we are confident that an uplift in affordable housing can be achieved. The introduction of a Housing Zone Fund that we are proposing can significantly increase the certainty of that outcome and deliver more affordable housing in the process as outlined above. By securing a modest commitment of Housing Zone resources, matched by the Council with relatively modest commuted sums from the Borough and changes in approach, we believe this offers a clear way forward for all concerned.

## **Section 8 – Meeting the Prospectus Requirements**

In the text below, we set out how we are responding to the prospectus requirements. We are also setting out concluding points to this submission. The timing of the publication of the prospectus and our submission of this bid is advantageous. The Housing Zone funding is a small element of the interventions that are needed, but can nonetheless provide the catalyst for the change. Given the timing, it is unlikely that there will be a better opportunity to apply a more structured and strategic approach to significantly uplift the amount of affordable housing that is delivered in the White City area.

### **What the borough is willing to offer as part of a “something-for-something” deal to unlock or accelerate housing delivery in the proposed Housing Zone.**

The Borough is willing to offer £2.5m (subject to Cabinet approval) in match funding to the £10m being sought from GLA grant funding. In addition we are confident of achieving a greater amount of affordable housing because of improved economic conditions and also a higher priority being given to affordable housing delivery following the change in administration. As a general point, the Council does not believe schemes need ‘unlocking’: the core purpose of the bid is to secure a significant increase in affordable housing delivery across all the OAPF area. Accelerating delivery is part of that objective. Any contractual arrangement will be subject to Cabinet approval in late 2014/early 2015, as advised in initial discussions.

### **Is there identifiable and named development already underway or ready to commence immediately that could be reasonably accelerated/ complemented?**

Yes. The S106 for the Westfield scheme (effectively the second phase of the retail development plus 1,347 homes) was recently signed. We also expect a planning application from St James for the ‘Marks & Spencer’ site. We also are expecting a revised planning application for the BBC TVC site from Stanhope PLC. Regarding Shepherds Bush Market, the developer Orion is keen to progress with their consented regeneration proposal for the current market area and environs. We would consider how the application of Housing Zone resources could be usefully applied to the above schemes, which do allow the use of grant to be applied to increase affordable housing numbers and/or change the tenure types.

### **How quickly could an increase in housing be delivered?**

The premise of the bid is to generate affordable housing where it would not be delivered under a ‘business as usual’ approach. If a 25% quantum of affordable housing were delivered, across the whole site then from a 12% position, this would equate to 724 additional affordable homes.

### **Are there any physical constraints (e.g. infrastructure gaps, contamination, ground conditions etc.) to increased development?**

We are of the view that there are no significant identified physical constraints that are limiting appetite for development, beyond standard enabling costs associated with the regeneration of an urban brownfield site. Where enabling costs are high (particularly with respect to decontamination costs) we would expect reasonable costs to be reflected in the scheme viability process.

### **Is there evidence of market capacity for the proposed increase in housing?**

Yes, based on the planning applications that are coming forward. We are advised that interest from development partners remains strong. With the realisation of ‘signature’ developments, e.g., John Lewis PLC on the Westfield site and Imperial College London’s proposals, we expect the capacity for new development to be increased. The working assumption for capacity in the White City Opportunity Area Planning Framework area is 5,000 homes but our working assumption is the 5,687 figure previously identified. We expect capacity to rise further over time as planning applications are consented.



**What strategies are proposed to accelerate housing delivery and overcome issues of market absorption (e.g. increased levels of shared ownership/long term private rented sector homes)?**

As part of the Housing Zone approach we will consider how affordable housing delivery can be brought forward, using Zone funding. It should be borne in mind that developers tend to leave affordable housing delivery (which is not grant funded) to later phases on the basis that they need to generate revenue from early phases to pay for the later phase(s) of affordable homes. Discussions with individual developers will be needed to assess how acceleration can be achieved in practice.

**What is the scale of supporting infrastructure (hard and soft), if any, that is required?**

The full range of supporting infrastructure requirements are set out in the White City Opportunity Area Planning Framework document. We are seeking S106 contributions from developers to support the delivery of the supporting infrastructure identified for the area.

**When is it required to be delivered and what can realistically be funded from other sources?**

We would expect the 160 additional homes funded from Housing Zone and commuted sums resources to be delivered during the 2017-24 financial years. We are seeking to ring-fence future GLA Affordable Housing Programme for the area, but are not minded at this early stage to quantify the amount of sought or number of outputs to be achieved. We would expect to deliver 20% affordable without recourse to grant.

**How will intervention increase aid developer confidence and certainty of delivery?**

We are not aware that developer confidence needs to be aided. The core purpose of the bid is to secure an increased quantum of affordable housing across the Opportunity Area.

**How can the Borough demonstrate its own commitment and willingness and that of the relevant partners to deliver the housing numbers in the bid proposal, and how much match-funding is being contributed by the borough or other delivery partners?**

The Council's Core Strategy and the Mayoral/Council White City OAPF document both identify the capacity of the White City Area. Both documents also stipulate the strategic target of 40% affordable housing for the area. In addition to the Council's contribution to the initiative, we would expect Registered Providers to consider what additional resources they can apply to help deliver the affordable housing sought under this initiative. In light of the Council's intention to select a panel of Registered Providers to deliver affordable on the White City site, we would want a 'premium' in return from Providers to deliver more onsite, but also more offsite. We can work with the GLA to discuss how the 'something for something' approach can be replicated with Registered Providers.

**What non-financial resources can the Borough and its partners identify to ensure there's enough capacity to deliver the proposed interventions and housing numbers?**

We intend to apply more officer time to programme manage the outcomes that we wish to realise on White City. Selecting a panel will require resources. Under the terms of the Westfield S106 notice, we are required to propose a list of six Registered Providers to deliver the affordable rented housing (and potentially the low cost home ownership housing also). This does not preclude the developer from proposing their own preferred RPs which the Council will need to approve, which may not be unreasonably withheld.

**Clearly evidencing how the planned interventions, will deliver the proposed outputs to the proposed timescales?**

The Housing Zone resources are one element of the approach we are seeking to effect. We are seeking to ensure that baseline affordable housing delivery is raised to 20% and that Housing Zone and future Affordable Housing Programme resources raises that amount further. We also intend to ensure that the scheme review mechanism works to maximum effect, through turning increased development values into increased affordable housing across the whole site.

**Is there a high level risk assessment of the proposals, including reference to the ability and capacity of borough, land owner and other involved partners?**

Yes. We will supply this on request.

**How will the GLA's investment be treated? Particularly in terms of returns, including any above the principal investment, and how this would be calculated.**

Our proposed approach (as set out in the bid document) is that a Registered Provider would contract with the GLA in the normal way in order to develop new affordable housing. What we are offering to do is to 'shadow' that process and contract with the RP concerned to allow our grant funding to 'follow' the GLA's. This arrangement can be detailed in the Delivery Agreement, but we do not intend to be contractually responsible for the delivery of the affordable homes, beyond obligations set out in the S106 agreement. The RP concerned as delivery agent should take that risk.

**What level of certainty is attached to the proposed funding repayment profile to the GLA?**

The amount of money being sought from the GLA is relatively small compared to the open market value cost of those affordable homes that we are seeking to secure. Rather than enter into a grant repayment mechanism, it may be simpler to give the investment a notional value in the form of a 'credit' that should translate into the development of further affordable homes either in the White City area or elsewhere in the Borough.

**Where a Borough wants some of the £200m recoverable investment fund to be applied in their Housing Zone they should clearly specify how the private sector organisation that will access it will be selected.**

The Borough is not seeking finance from the recoverable investment fund.

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London Borough of Hammersmith & Fulham

September 2014