

Neighbourhood Renewal Assessment (NRA) update

1. Introduction

- 1.1. This briefing paper provides an update on the progress of the Neighbourhood Renewal Assessment for Lemington Village and outlines the key conclusions from the draft final report.
- 1.2. The Housing Development Team has commissioned consultants PPS to carry out a Neighbourhood Renewal Assessment of the Lemington Village area. The assessment began in December 2006 focusing on the Housing related issues including, a stock condition survey, stakeholder survey, environmental survey and resident consultation. The Housing Development Team have now received the first draft of the final report and are currently reviewing the document.
- 1.3. As part of the review a public meeting is scheduled to be held at the Lemington Centre on the 5th July where the findings will be presented and residents will have the opportunity to comment and ask questions. Invitation letters will be sent out at the end of Friday 29th July.
- 1.4. Key officers and Councillors will receive a copy of the report and will have the opportunity to comment before the report is finalised. The following section provides a summary of the report's conclusions.

2. Lemington Neighbourhood Renewal Assessment Summary

- 2.1. The clear impression that emerges of the Lemington NRA study area is of an area of older housing that has significant problems in terms of housing condition related to disrepair but which is popular, provides a substantial supply of affordable housing, and has a stable community with strong household networks based on family and friends. Notwithstanding problems in the area, residents are generally happy with their homes and, to a slightly lesser degree, the area overall. Where people were dissatisfied, disrepair was the main reason.
- 2.2. There are clear problems with property condition. The rate of non decency was just over 45%, above the national average of 29% and above the most recent Newcastle estimate of 31%. The most significant problem appears to be disrepair; at over 19%, the rate of properties failing the Decent Homes Standard because of disrepair is over three times the national average. The estimated cost simply to rectify failures of the Decent Homes Standard is £1.43 million at an average cost per

dwelling of £4,800. These works would do little to address the need for longer term repairs.

- 2.3. Although the sub-areas were found broadly similar in many respects, West 3 (see appendix 1) was found to score the worst in terms of non decency, fitness, category 1 hazards and vacancy rate.
- 2.4. The area is also clearly not affluent. Almost 48% of household incomes were below £15,000 per year. A further 27% of households had income between £15,000 - £29,999. Benefit receipt was also elevated, with an estimated 45% in receipt of benefit, including 32% with income related benefit. These figures do indicate that residents are likely to have difficulty funding repair and maintenance work, in particular major works such as replacement of roof coverings.
- 2.5. It was very apparent from the households survey and from public meetings that residents do not favour redevelopment; a substantial majority favoured securing improvement in housing condition by renovating existing housing.
- 2.6. As mentioned in Part 3, a major characteristic of the area is the unusual street layout, with many terraces fronting onto paths with pedestrian access only. Yards to the rear of the terraces open onto back lanes, all of which are sufficiently wide to allow access by modern vehicles. This layout does present problems with car parking, although many residents have overcome this by adapting rear gardens to allow parking. There is, however, limited space of for children to play. Against this, the layouts opening onto pedestrian space were attractive in a number of places.
- 2.7. Parking and lack of play space were issues highlighted by residents, along with anti social behaviour and dirty/littered streets. Traffic hazards were not an issue generally but were in limited areas in particular Union Hall Road, parts of Tyne View and Northumberland Road.
- 2.8. The results of the option appraisal favour very clearly Option 3 (See appendix 2), comprehensive intervention based on a 30 year life. This is the most cost effective option over a 30 year time frame. Option 1, statutory action only, would fail residents, and Option 5, transformational redevelopment, would produce radical change but override the plainly expressed views of residents. The latter would also involve the greatest injection of public funding by a very substantial margin. Both Options 1 and 5 break two of the decision rules.
- 2.9. The real choice for the Council lies between Option 3 and Option 2, restricted intervention based on a 10 year life. Option 2 would have some positive effect (although fairly limited) and would cost less in the shorter term than option 3 but more in the longer term.

- 2.10. Option 3 is significantly better in that it would do much more to secure the long term sustainability of the area, is much more in tune with the views of residents and would also include more substantial environmental works. However, it does involve greater public (and private) investment in the short term. Notwithstanding the greater investment required, it is the recommendation of this report that the Council seek funding to proceed on the basis of Option 3.
- 2.11. The study indicates that it would be possible for the Council to seek to move to the declaration of a Renewal Area within the meaning of the Local Government and Housing Act 1989. However, assuming that phased funding for a longer term programme within the area can be secured for the Regional Housing Board, confirmation of the Council's commitment to the longer regeneration of the area by declaration of a Neighbourhood Improvement Area, a non statutory declaration of intent, may be the most appropriate action. This is more likely to sit within the context the Private Sector Housing Strategy and priorities of the regeneration activity.
- 2.12. In practice, external renovation works would be delivered by group repair schemes lead and substantially funded by the Council. Internal works would be likely to be carried out on an individual basis with the Council offering loan or equity release finance. Environmental works would focus on dealing with boundary walls, in particular unsatisfactory rear boundary walls along the back lanes.
- 2.13. The major issue in terms of property condition is disrepair, in particular roof coverings and chimneys that have exceeded their expected life and now require replacement. Carrying out the external group repair schemes would largely address this issue.
- 2.14. The proposed course of action is broadly consistent with the Newburn and Lemington Framework Plan; it would promote the general regeneration of the overall Lemington village. However, it would not address the some of the broader development issues such as the need to improve the connections between the Union Hall Road, Tyne View and the A6085 into the Haugh, and the need to improve the quality of the environment around Warkworth Street, Algernon Road and Maud Street in terms of the open space and the semi derelict warehouse buildings. It may be possible to address the highways matters through alternative sources of funding as regeneration work progresses.
- 2.15. However, irrespective of whether the Council proceeds by way of Neighbourhood Improvement Area or Renewal Area declaration, it should examine carefully the opportunities for development of the vacant land at the Fernwood Road and Rokeby Street junction and the vacant land that lies between Lemington/Scotswood Road

and the Newburn Riverside. Both could provide an opportunity to develop new housing of different type and tenure to the general terraced housing in particular larger family homes and single storey homes suitable for older residents.

- 2.16. Support for the provision of new homes was identified in the baseline studies supporting the Newburn and Lemington Framework Plan. There was no specific question in the household questionnaire to test opinion as to whether additional new houses should be built in the area. However, there was support for the prospect of new build amongst those seeking to move from an existing home. Informal discussion at Steering Group meetings generally favoured the prospect of new build on vacant land.

3. Implementation of the Regeneration Programme

- 3.1. The implementation of the housing and environmental programme will be largely governed by the availability of financial resources. The Council has already secured £200k for the Single Housing Investment Pot for work in the area in 2007 – 2008. Obviously this sum is very small in comparison to the overall public investment will be required to carry out the programme recommended in this report. However, it will allow a “kickstart” to the area funding environmental works to a number of properties.
- 3.2. In overall planning terms the NRA identifies a public sector net cost in the region of £14 million. This represents the net present value of the recommended approaches in each neighbourhood including further complete renewal action at the end of the 30 year timeframe. The cost represents likely levels of assistance for refurbishment and environmental improvements. It is anticipated that this document will be used in making a submission to the Regional Housing Board in the bidding round this Autumn for funding for 2008 – 2009 onwards.

4. Phasing Programme

- 4.1. The regeneration programme will involve both substantial commitment of public resources and also significant input by Council staff. There will be appreciable disruption as work is carried out. Given the scale of the commitment involved, realistically an extended timescale has to be set. The NPV calculations used a 10 year programme for the 30 year works and this is considered an appropriate timescale for the regeneration programme.
- 4.2. In terms of phasing, the Index of Property Indicators suggests that work be phased across the areas in the following order:

1 st	West 3
2 nd	West 1
3 rd	East 1
4 th	West 2
5 th	East 2

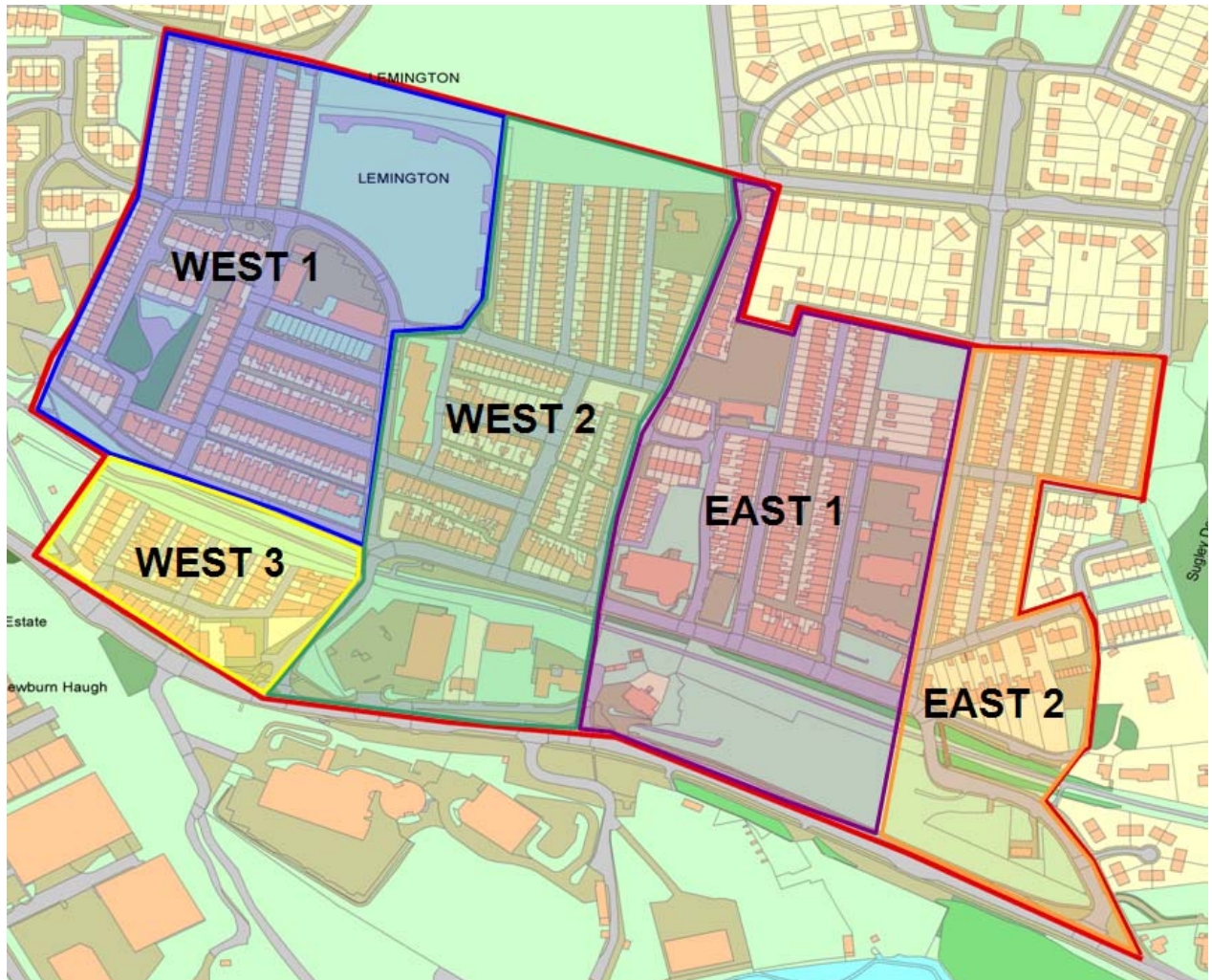
- 4.3. The difference in condition between East 1 and West 2 is not major and they could be transposed to allow the western areas to be completed in sequence.
- 4.4. Assuming a satisfactory commitment to funding, the study area should be declared a Neighbourhood Improvement Area by the Council. Dedicated officer resources should be allocated to the Lemington neighbourhood with a nominated 'champion' to lead and to work closely with residents through the transition period to ensure that the implementation plans are delivered and that residents are given necessary support. The establishment of a formal delivery mechanism is seen as a vital adjunct to the existing team to ensure effective delivery.

5. Next Steps

- 5.1. Funding of £200,000 has been secured for this financial year to carry out works based on the NRA report. A review of the potential options is now underway and is considering projects based on the following; boundary treatments to highly visible streets, works to properties to improve thermal comfort, rear boundary walls repairs and general environmental work.
- 5.2. Funding also needs to be secured for future long term works to tackle the Non Decent Homes. The type of works and scale will depend on the amount secured through SHIP and this will not be known until spring of 2008. A project will be developed based on the resources available thereafter.
- 5.3. An Executive report will be submitted to the September committee outlining the finding of the NRA.

Colin White
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Appendix 1 - Lemington Sub Areas



Appendix 2 Options

Option 1 – Statutory Action Only. This is essentially the ‘base line’ position against which other options can be measured. It assumes that the area will receive only minimum attention other than the action the Council is required by law to take to deal with poor housing conditions. This would most likely lead to a continuing spiral of decline with a growing need for intervention in future years. Action would be by way of legal notices and orders. At some stage at least some clearance action would be likely without investment in the area. It would do nothing to address environmental issues in the area. The vision and stated objectives would not be achieved.

Option 2 – Restricted Intervention (based on 10 year repair costs). This option assumes that the existing housing is retained with only those repairs identified as being necessary in the short term (typically 5 to 10 years) to the property being carried out. The Council would focus on assisting with external works; realistically internal works would largely be the responsibility of owners. It does not address the need for more comprehensive modernisation over the longer term and on completion properties would not necessarily meet the Decent Homes Standard. As an option it again does little to meet the wider aspirations of the residents of the neighbourhoods. However it does help to maintain the integrity of the neighbourhoods. Additional information on the funding assumptions used in the financial appraisals is given at paragraph 4.2.15.

Option 3 – Comprehensive Intervention (based on a 30 year standard). This option assumes that the existing housing will be retained and improved. The underlying basis of the option is that the Council will actively promote renovation schemes which will provide the dwelling with a useful 30 year life. These will primarily be group repair schemes to carry out external works. Ultimately homes meet the Decent Homes Standard although realistically internal works are likely to be funded by home owners. Some environmental improvements would be carried out. Again additional information on the funding assumptions used in the financial appraisals is given at paragraphs 4.2.15 - 16.

Option 5 – Transformational Redevelopment. This option assumes that existing properties would be subject to compulsory purchase and cleared. The area would be redeveloped with a wider choice of housing types and with modern street layouts.