

Twickenham Rediscovered: Viability Workshop
Thursday 18 August 2016
Lead Facilitator: Paul Chadwick, Director of Environment

General Points

Feedback from the sessions will be captured and along with all presentation materials will be published on the Council website. All workshop attendees who leave an email address will be sent a link to the relevant webpage.

Asking a question at a workshop does not preclude anyone asking questions later or in writing.

Not all questions will be able to be addressed in the workshops, but all questions will be captured and the responses will be sent out electronically and available online.

For future workshops, a microphone and hearing loop will be provided.

Viability Presentation

A copy of the viability presentation is available on the Twickenham Rediscovered webpages here – http://www.richmond.gov.uk/tr_viability_workshop.pdf.

Questions

- 1. Why is 'Viability' the first in this series of workshops, whilst 'Configuration of the Site' is last? Why is this not being looked at earlier / the other way around?**

We deliberately ran the viability session first because of the links between viability and the later workshops. The session was designed to give residents a better understanding of the components of viability (the elements, approaches and drivers) in order to inform the rest of the workshop programme. We hope that the workshops that follow will give us the opportunity to explore with residents these components and how we measure the social and environmental impacts of development. We will ensure there are further opportunities to interrogate the financial viability of specific proposals later in the engagement programme.

- 2. Which architect will you be working with?**

The Council's appointed architects are Francis Terry and Associates.

- 3. Slide 9 of the presentation shows a map of the site. You describe the yellow/green areas as 'Council owned land'. Please can you describe this as 'land which belongs to the people of the borough'?**

At a later point during the workshop it was agreed that the phrase 'publicly owned land' was the best phrase to use within the workshop, not least to avoid further intervention to the presentation.

- 4. The site was gifted to the people of the borough in 1923. It was not bought or purchased. Are you aware that the 2009 scheme was rejected because the Council at the time was looking to sell the land belonging to the people of the borough to a private developer?**

This was a very different part of the site and a very different set of circumstances.

5. There is a fundamental assumption in your presentation slides that there will be a developer.

No. The presentation slides refer to a 'common approach' (i.e. the approach typically taken by a developer). There is no presumption of a developer involved and the presentation goes on to explain the different types of models available and will provide a more 'site specific approach'.

6. Slide 16 in your presentation shows that a large proportion of the costs for a project typically come from construction costs. Does this mean that if there is no construction, there will be no costs?

Whilst there would be no costs of construction, it is the intention that any proposal would be part of the wider regeneration of Twickenham. In other words no development has considerable down sides.

7. Please could you use the phrase 'subsidised housing' rather than 'affordable housing'?

I understand the point and am happy to use this phrase.

8. Slide 17 in your presentation shows that usually financially viable items for development are fairly large building blocks, residential units at upper levels etc. The Francis Terry design has a lot in common with the first five bullet points.

Point made and noted.

9. The Government Inspector's Report on the Examination into the Twickenham Area Action Plan (TAAP) (report available [here](#)) says that Eel Pie Island residents need to have parking access to the island.

Point made and noted.

10. Business rates in Twickenham are high. Can you do more to limit rate increases as there are a number of struggling businesses and empty shops?

That's one view – other residents have commented that they think Twickenham can manage with additional shops and businesses. The reality is that the way business rates work gives the Council very few opportunities to offer local limits. We will be covering this in more detail at the Retail and Business workshop taking place on Monday 22 August.

11. The consultation material published on the website and available on the boards in the pop-up shop shows photos of architecture taken from the High Street. However, no photos are shown of riverside buildings and the diversity of architecture there. Could it be said that this is a skewed representation of the architecture in the town?

Potentially. It's a point we really need to consider going forward, particularly about the suggestion of having a selection of smaller buildings on the site.

12. Where is the Town Square in your plans?

The idea of developing a Town Square is something that was made clear in the Twickenham Area Action Plan. My presentation mentions open space in several places. That it doesn't specifically say Town Square shouldn't be taken as meaning we don't support one. Future workshops will no doubt deal with the point in fuller terms.

13. You describe three models in your presentation (developer-led, Council-led, a joint venture). The idea that the Council would lose control if the project was to follow a developer-led model is wrong. It would involve giving a good specification and managing it well.

Point noted.

14. Are the Council willing to make a loss rather than break even to make a more attractive development with greater benefit to the community?

The Council might consider it. The expectation is to secure some of the money back but realise there is also the consideration of providing benefits to the town. There's a judgment to be made, but at this point there is not a definitive answer.

15. The Cabinet report (16 May 2013) regarding the purchase of 1, 1A, 1B King Street and 2/4 Water Lane (available [here](#)) refers to an "...aim of limiting the eventual cost of this purchase, in terms of drawdown from the Twickenham and Uplift monies, to a maximum of £3m".

This Cabinet paper did not say that the Council was willing to make a loss on this acquisition. There has not been a decision on how much (if anything) the Council would be willing to concede. The specific reference to £3m was more a wider financial point about the source of the funding for the acquisition, which was the Uplift programme.

16. What we have not been presented with tonight is a business plan. You have cited what should be in the plan but have not produced one.

At this point the Council has decided to listen to ideas for potential development. We have not put a scheme forward and therefore do not have a business plan at this stage.

17. The Council has spent £6.5 million on buying the Santander site. Who decided that and why did you do it? This will then help me to understand the Council's stance.

The Council bought the site to get control of a vital part of the area (rather than allowing it to go to a private developer) to help deliver the objectives of the Twickenham Area Action Plan (TAAP) in a way that a private developer would in many respects resist. This plan highlighted the need for open space (potentially in the form of a town square). It was also bought to help deliver residential and commercial opportunities and to improve the area overall.

18. Why is a lido not seen to be a viable option for this site? You have put forward three different models (developer-led, Council-led, joint venture) but there is no mention of a lido. Please can this be looked at – we have the funding for it.

There is insufficient evidence, from what I've seen, that the lido scheme is a viable option for the site. Mandy Skinner apologised for not having met with the proponents of the lido scheme since taking on responsibility for the project. A meeting has been scheduled for the following week.

19. How would the Council rank one scheme against another? You talk about public benefits – how are these benefits going to be measured? Cllr Fleming has mentioned on occasion that you have reserves. What contribution from your reserves can you make to the scheme?

We need to consider how we compare schemes very carefully and we need to include benefits wider than just the site itself. The Council is making no absolute financial statements at this stage, which includes in relation to reserves, but a balanced approach to the use of scarce Council funds will be important.

20. Why is there no financial officer present or financial figures at a viability workshop? We need options to look at – there are lots of highly intelligent people here in the room who can understand this.

We cannot provide figures at this stage because we do not yet have a scheme to consult on. The specific viability will be considered as part of any proposal.

- 21. Years ago Councillor Samuel jeered at the Liberal Democrats for not having a business plan. Here we are today almost seven years later and still we have no business plan.**

Cllr Samuel's comments were specifically about the absence of a business plan for the operation of one element of a previous proposal, namely the River Centre. The two issues cannot be compared.

- 22. You said in your presentation that viability describes how the finances of a project can influence its make-up. There was also a slide about 'financially detrimental items'. A developer will come along and keep saying that you are knocking holes in my profit (e.g. by creating community spaces). A developer is egocentric. Has the Council really got the power to sway a developer? If the Council and a developer both put in money, there will be things that are good and that we like. We just need to see the numbers. As an example, a development in Elephant and Castle ended up with less affordable housing than initially projected because the Council is always going to be in conflict with what the developer wants. We, as people of the borough, do not have the cash – so there might need to be more private cash. It is a serious concern that open space is not viable. Do you (the Council) have the necessary bargaining power with such developers? Linking to that, there have been statements released which suggests that the Council is going to be the developer?**

The point about wider benefits is noted. As we move forward on designing a scheme, we will be in a better position to negotiate with whoever is involved in helping us deliver a scheme regardless of the delivery model we adopt. However, at this point we are unable to make a definitive statement on those specific points.

- 23. Is there a lead architect involved in the project? Are urban planners also involved?**

We have urban designers working at the Council who will get involved more and more in the process as time goes on.

- 24. In the Barefoot consultation in 2010, the biggest issue raised was a town square (49% of respondents wanted a market place / town square). Why has this been studiously ignored since then? I went into the pop-up shop and found the words 'town square' omitted from the boards. Another of my comments was about what the developer thinks of viability.**

I reiterate that the words 'town square' have not been omitted from material on purpose and that the idea of developing a Town Square / market place is something made clear in the Twickenham Area Action Plan; this site will have to respond to this. There is not a developer waiting in the wings. We are not able to make a financial statement or commitment at this workshop.

- 25. Years ago I met a group of ramblers who told me that they come to Twickenham because it's such a beautiful location – the greatest Arcadian landscape in Europe. Twickenham is not just the home of rugby; we need to fight for the beauty of the town in which we live.**

Point noted.

- 26. What you've presented is very sensible. You explained a developer's approach and how we are talking about a different approach. If we can make the development cost neutral, can we make sure we still maximise benefit to the community? It will be a massive benefit to local people if the site is improved. There is a lot to be said for taking a shared approach. It means that the Council can be very involved. I realise that the business plan can only arise out of what we are doing now. The previous brief was completely faulty. The Council have actually listened to us by putting on these workshops. It is an incredibly beautiful site and viability is the right workshop to start with. It is good to say we are not selling it off. That is where we are starting from. If it was my £6.5 million, I would want my money back too. The TAAP (Twickenham Area Action Plan) sets out the perfect canvas for what could be done for this site.**

Point noted.

- 27. I have been told by a member of the Council that there is no alternative to the architect chosen (Francis Terry). Why him? Why is there no alternative being offered? His designs were rejected by local people. He doesn't seem to know anything about the local area. Who chose the architect – I heard that only two people at the Council made that decision.**

Francis Terry is the Council's architect for this project and was appointed through a fair process. The architect is capable of delivering different types of scheme.

- 28. I am part of the group campaigning for a lido in the area. A lido would only take up a small part of the area – only a quarter. We have the funding for this and have a business plan. Also, we have two potential investors who would like to get involved. The lido is a very successful organisation. They have two lidos so far in different parts of the country. It is not just a swimming pool; a lido will help to regenerate the town.**

Mandy Skinner (Assistant Director Commissioning Corporate Policy and Strategy) reiterated that she had already spoken to and met a lot of local groups but would be happy to make contact and meet with the lido group to explore their proposal further.

- 29. I have lived here all of my life. I went to the ice skating rink and watched it deteriorate and then disappear. I have seen the cinema disappear. My children are 31 and 34 and I have told them about the pool. I saw that rust and disappear. We are one of the healthiest boroughs in the country. There are massive challenges as to ensuring there are a variety of things to do for people of all ages. There is currently not much to do for teenagers in Twickenham. I worked on the volunteer stand for the Rugby World Cup. People say that they come here not just for the rugby but also for the river and its views. I know people go into Kingston and Richmond – we want an amazing spectacle here that will benefit all.**

Point noted.

- 30. You mention the possibility of grants for development – could you expand on this?**

Grants are available for this type of site. For example the GLA (Greater London Authority) have grants for regeneration where there is the potential for wider benefit beyond the site itself. In crude terms these grants tend to be for areas of relative poverty, where there are genuine issues in the community. We will definitely explore this option however we might not be successful in obtaining such grants. We would also look to secure grants for the delivery of affordable housing. Some of these grants come from the GLA, the Council also has a Housing Capital Programme which it may be appropriate to use to support the provision of affordable housing. Grants allow us to do more with a site than might otherwise be possible.

- 31. How much money are we talking about?**

We would not have exact figures at this point but low in relative terms and probably a million maximum.

- 32. Jubilee Gardens and the accompanying playground were developed under the previous administration. Then the Conservatives created 'Diamond' Jubilee Gardens. Where was the viability in that?**

The Council has spent money on the gardens in the past based on a different viability requirement. This was in a different context and prior to our committing considerable funds to a further purchase of land.

33. Why is there an urgent need to do something now? Is this all meant to happen in time for the 2018 election? Aren't Santander still paying their rent and therefore bringing in an income to the Council?

We want to use key sites in the town to regenerate the area so the pressure is only to get this right.

34. Is this a brownfield site?

Yes, overall it is a brownfield site. There may have been some confusion as the Santander site is shown as a red/brown colour on the site map.

35. Which experts will you use to assess the financial viability of the site?

Not chosen in terms of new ideas, but yes we will use experts to assist on the detailed financial viability and your views will be welcome.

We have to be clear what we are commissioning to ensure the experts get it right. Once we get to the point of costs, there will be further engagement.

36. Viability – there is also a question about desirability. When this all started, it wasn't to spend £6.5 million on restaurants and cafés that we don't need. Viability should be seen in a wider context: something that makes the town centre more desirable e.g. activities for children, boat houses etc. We would like river related activities – that would be desirable.

The Council will look at the wider benefit of all future options.

37. I want to repeat what has already been said – I'm surprised to see that there is no business plan. There might be one already tucked away?

There is not a scheme development at this point and therefore no business plan or viability figures or whatever people want to call the figures that demonstrate the financial standing of any scheme.

38. Strategically, did the Council think it was a good idea to buy the land?

Yes

39. A developer would want certain square footage, there would be construction costs etc. There are going to be different options of what we can do on the site. Do we break even or subsidise? In a joint venture, would the Council make a profit? We need to make fundamental decisions on this.

I reiterate that the business plan/viability figures will be prepared alongside options.

40. I appreciate your definition – it is my view that the Council's version of viability started out by optimising profit, but it doesn't go far enough to meet the needs of the community. The idea of a town square keeps being reiterated to bring people to the town and would have wider economic benefits. Also we have heard this evening about the beauty of the river – development needs to meet people's wishes. Firstly, will the scheme tie in wider benefits and if so how? Secondly, when will we have genuine options to look at? The Council has not been open to input into the proposals. I concur with others that the preferred options should have financial information attached.

Yes, we will look to develop a scheme through these workshops that delivers wider benefits and yes, we will present options later in the consultation process with financial information.

- 41. The Council needs to look at the value of the site as a whole. If you just look at the Santander site you won't achieve best value across the site. You should also consider a fourth model – selling or leasing part of the site.**

Point noted and understood. The potential to receive income for a part of the scheme rather than capital will be reviewed going forward.

- 42. Whatever you put on the Riverside site it needs to complement what's happening at the Community Centre on the Old Post Office site.**

Point well-made and noted.

- 43. In the ITT (Invitation To Tender) one of the criteria was the experience of the architect – will the Council re-consider its choice of architect?**

I reiterate that the Council's appointed architects are Francis Terry and Associates. We are not re-considering this appointment at this point in time.