

## SHEERWATER REGENERATION UPDATE

### Executive Summary

This report provides an update on the progress of the regeneration of Sheerwater and an opportunity for members of the Overview and Scrutiny Committee to ask any questions.

The Lead Member for Sheerwater, Councillor David Bittleston, will attend the meeting to make a brief introduction and together with the Chief Executive will be available to answer Questions.

### Recommendations

The Committee is requested to:

**RESOLVE That**

- (i) the update report be received.

The Committee has the authority to determine the recommendation(s) set out above.
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**Background Papers:** Public documents related to Sheerwater Regeneration  
<https://www.woking.gov.uk/major-developments/sheerwater-regeneration-project-0>

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### 1.0 Introduction

- 1.1 This report provides an update on the progress of the regeneration of Sheerwater and an opportunity for members of the Overview and Scrutiny Committee to ask any questions.

### 2.0 Scheme Outline

- 2.1 The regeneration of Sheerwater will deliver housing of mixed tenure with a range of property types and sizes to create a wider choice of homes within Sheerwater, coupled with a net gain in affordable housing, and improved space and amenity standards. It will involve the demolition of 573 residential units, non-residential buildings and sports facilities, and a phased delivery of 1,142 new high quality residential units. 523 (46%) of the residential units will be affordable, to be let at the equivalent of social rent.
- 2.2 The housing development will be supported by enhanced retail, employment and training opportunities, as well as social, health, recreation, sports, and leisure provision.
- 2.3 After the first hybrid consent for the regeneration of Sheerwater, achieved by New Vision Homes in July 2016, Thameswey was requested by the Council to increase the total number of units by 20%, to revise the housing mix, and to increase the amount and quality of open space. The resulting hybrid planning application successfully achieved planning consent in April 2019, and work commenced on site on 22 July 2019. The phased development over a 70-month construction programme has a target completion date of July 2025.
- 2.4 This phased 6-year build programme is intended to allow all residents who wish to remain in Sheerwater, the opportunity to do so. The phasing also seeks to ensure that existing properties and buildings are not demolished until re-provision is complete; preserving the continuity of the community facilities, open space, green space and leisure space.

### 3.0 Project Development Cost

- 3.1 At its meeting on 13 February 202 the Council resolved to proceed with the full development at a cost of circa £492m and provide the Thameswey group with the necessary finance to complete and operate the development. A summary of the development cost is set out below.

<b>TOTAL COST OF DEVELOPMENT</b>	<b>£</b>
Synergy programme Costs (including Pre-budget cost)	411,658,145
Land Acquisition costs	70,101,332
Non-Synergy Development Costs	8,128,786
Sales & Marketing Costs	1,768,760
<b>TOTAL Development Costs</b>	<b>491,657,023</b>

- 3.2 The development is being undertaken in phases. The initial construction work relates to the development of the Leisure Complex at Bishop David Brown School and the Purple residential phase. A full schedule of all phases is summarised below.

Phasing	Total Units	Affordable Units	Market Units	% of Affordable units per phase
Purple	92	46	46	50%
Red	124	107	17	86%
Emerald	18	18	0	100%
Blue	200	45	155	23%
Yellow	168	102	66	61%
Bronze	72	14	58	19%
Pink	30	0	30	0%
Cyan	68	14	54	21%
Orange	153	153	0	100%
*Copper (phase 1c)	92	13	79	14%
Cobalt	39	0	39	0%
*Gold (phase 1e)	47	11	36	23%
Platinum	39	0	39	0%
<b>Total</b>	<b>1142</b>	<b>523</b>	<b>619</b>	<b>-</b>

3.3 The mixture of residential accommodation being provided is summarised below

Unit Size	Affordable	Private	Total
1 Bed	276	72	348
2 Bed	155	145	300
3 Bed	83	246	329
4 Bed	9	151	160
5 Bed	0	5	5
Totals	<b>523</b>	<b>619</b>	<b>1142</b>
Percentages	<b>46%</b>	<b>54%</b>	<b>100%</b>

#### 4.0 Acquisitions and Compulsory Purchase

4.1 Significant progress has been made in purchasing the 120 private residential properties required for the regeneration. All the homeowners have now engaged with the Council. With 110 acquisition completed.

4.2 Under the terms of the Community Charter, homeowners have been able to take advantage of enhanced compensation payments of 17.5% of market value, with no requirement for the owner to demonstrate any loss. In addition, owner-occupiers have been able to seek assistance with purchasing a new property for personal occupation. This assistance provides up to 33% of the value of the new property or £100,000 whichever is the lesser as a cost-free equity investment by Thamesway. In exceptional cases, the Council has been able to provide a Mortgage of last resort. To date there have been 24 assisted Purchases and 11 Mortgages of last resort.

- 4.3 In some cases, owners have agreed to sell but have wanted to defer the completion date. These arrangements have been made to meet the needs of the owner wherever possible, provided there is certainty of securing vacant possession of the property when needed for the development. Currently five deferred purchases are under contract to complete by a specific date.
- 4.4 At its meeting on 30 July 2020, the Council approved the making of a Compulsory Purchase Order, which was made on 12 October 2020. The “Notice of Making” was advertised in the Woking News & Mail editions of 22 October 2020 and 29 October 2020. On 21 October 2020 LRS, the company appointed by the Council, issued a recorded delivery “Notice of Making” to those addresses not on the site and on 22 October 2020 hand delivered the “Notice of Making” to those addresses on the site. LRS also affixed Notices on the site on 22 October 2020. The closing date for objections is 26 November 2020.

### 5.0 HRA Property position

- 5.1 In 2017 the Council’s Sheerwater Housing Team was established to provide dedicated staff to support residents with the re-housing process of the 339 secure tenants that were living in the regeneration. The team has been instrumental in moving 208 households out of Sheerwater on a voluntary basis, which leaves 131 secure tenants who still need to be relocated. Of these only 13 households have not yet responded to contact from the team.
- 5.2 Where possible, the Council intends to continue to work with secure tenants to agree a suitable move. However, where this is not possible, the Council reserves the right to seek possession through the legal process, in which case the criteria for re-housing will be as defined by legislation and not as defined in the Sheerwater Community Charter. Legal action to gain possession of tenanted properties will be a last resort.
- 5.3 The Council has powers under the Housing Act 1985 to seek possession of a property that is earmarked for redevelopment. Schedule 2 of the Housing Act 1985 contains a number of grounds on which the Council may seek possession of a secure tenancy. These include where the Council intends to demolish and/or redevelop a property within a reasonable time and suitable alternative accommodation is available.
- 5.4 To ensure the successful delivery of the regeneration scheme, Notices of Seeking Possession will be served on all secure tenants when required, normally 12 months before the commencement of that phase of the development. This will not require a secure tenant to move immediately, but is a safeguard to ensure that the re-housing programme is not disrupted where agreement cannot be reached.

### 6.0 Temporary Accommodation

- 6.1 There are currently 50 tenants in Temporary Accommodation within the regeneration area, mostly in flats as can be seen in the table below:

Type	FLAT	HOUSE	Grand Total
Studio	4		4
1 bedroom	12	3	15
2 Bedroom	15	2	17
3 Bedroom	7	7	14
<b>Grand Total</b>	<b>38</b>	<b>12</b>	<b>50</b>

- 6.2 Tenants in Temporary Accommodation are not affected by the Community Charter and will be housed in accordance with normal procedures.

### 7.0 Current Construction Activity

- 7.1 The Leisure Phase under construction within the grounds of Bishop David Brown School started on site in July 2019. It is on programme to be completed by July 2021 and open to the public by October 2021. The Leisure Phase will provide a top class 3G full size football pitch, new football and rugby grass pitches with improved drainage and a leisure centre. The leisure centre will provide the local community and the school with top class swimming and recreational space. The centre will have a 25m pool and a separate teaching pool, a 5 court sports hall, studio spaces and a gym as well as associated changing and social spaces. The leisure centre will be heated using ground source heat pumps and solar arrays to provide low carbon sustainable energy to the centre. There will also be new parking facilities and fencing, which will improve the number of spaces available to the leisure centre, and improve the safety of the school. This phase did not require the demolition of any homes.
- 7.2 Bishop David Brown School will be able to use its new dining facilities and some of the leisure facilities of the new centre from February 2021 so as to enable demolition of old school accommodation and the completion of the of the car park.
- 7.3 A community use agreement is being put in place to ensure the leisure facilities can be shared between relevant users (including Sheerwater Football Club, local Schools, Community Groups and Local Sports Clubs).

The first residential phase (Purple) opposite Asda, currently under construction, required the demolition of 20 existing homes, most of which were privately owned and were acquired voluntarily by the Council. Only two properties housed WBC secure tenants, who were found suitable alternative accommodation. The medium rise development incorporating Murray Green will comprise of 10 three-storey town houses and 82 one, two and three bedroom apartments contained in a 6-storey apartment block. Of the 92 dwellings, 46 will be let at social/affordable rent and 46 will be private. The affordable units will be available to relocate secure tenants still living within the regeneration area who would like to remain in Sheerwater. The Purple phase is on programme to be completed by May 2021.

### 8.0 Next Phases of Construction

- 8.1 Thamesway will undertake the next three phases of the development effectively concurrently; these will be the Red, Yellow and Copper phases as outlined below.
- 8.2 Taken together these phases will provide 370 homes of which 222 (60%) are affordable. The net gain in homes, after allowing for demolitions is 371.
- 8.3 The Red phase that will start in February 2021. This phase will comprise of 124 dwellings, of which 107 will be affordable (including 68 sheltered apartments for older people) and will include the Central Square at the entrance to the development. The Red phase will require the demolition of 21 residential properties. Within this phase, there will also be space for non-residential units that will enable relocation of businesses from Dartmouth Avenue and/or introduction of new businesses.
- 8.4 An energy centre providing power and electricity to the medium rise development across Sheerwater will be located within this phase.
- 8.5 The Copper Phase will start in April 2021 and does not require demolition of properties as it is within the former athletic track area. The phase will provide 88 residential units of which 13

will be affordable. The Planning Consent permits a further four residential units but these will be provided later.

8.6 The Yellow phase will start in July 2021 and will require the demolition of 50 properties. This phase will provide 168 residential units of which 102 will be affordable. It is located in the centre of the development and will contain the main community facilities that have been integrated into a 'community hub', bringing together the replacement for Parkview, the existing nursery facility, the Sure Start facility and the Health Centre into one building. This building is next to the main park and the new community car park to make it an active centre for the community. Retail units have also been placed next to the Community Hub including one that is proposed to be a pharmacy to ensure the existing provision can be relocated next to the new health centre.

8.7 The next major phase being worked up in detail is the Blue Phase that relates to the Dartmouth and Devonshire Avenue areas.

### 9.0 Implications

#### Financial

9.1 There are no new financial implications arising from this report.

#### Human Resource/Training and Development

9.2 There are no new human resource issues arising from this report.

#### Community Safety

9.3 There are no new community safety issues arising from this report.

#### Risk Management

9.4 There are no new risk management issues arising from this report.

#### Sustainability

9.5 There are no new sustainability issues arising from this report

#### Equalities

9.6 There are no new equality issues arising from this report.

#### Safeguarding

9.7 There are no new safeguarding issues arising from this report.

### 10.0 Conclusions

10.1 Considerable positive progress has been made in respect of the implementation of the new Leisure facilities and the Purple residential phase of the redevelopment.

10.2 The next residential phase are scheduled to start in the New Year.

REPORT ENDS