



Wandle Valley

The Future of the Wandle Valley:

Creating and Sustaining Value for Major Landscape Scale Projects

Roundtable 3 of 5

8 October 2018

Minutes



**GREATER
LONDON
AUTHORITY**



wandle



WVRPT Resilient Heritage

Roundtable 3 of 5 – 8 October 2018

Attendees

Chris Baker, The Capability Brown Society
Joost Beunderman, Architecture 00
Jacqueline Bleicher, Global Urban Design
Leonie Cooper AM, London Assembly
Cllr Nick Draper, London Borough of Merton
Nic Durston, WVRPT
Jurgen van der Heijden, AT Osborne
Lysanne Horrox, WVRPT
Marishana Mabusela, Barker Langham
Peter Massini, GLA
Cllr Sarah McDermott, London Borough of Wandsworth
James McGinley, London Borough of Merton
Sue Morgan, WVRPT
Doug Napier, London Borough of Merton
Judie Obeya, Clarion Housing
Mandar Puranik, London Borough of Sutton
Paul Rosier, Subsea Seven
Valerie Selby, Enable
Neil Sinden, CPRE London
Bridget Snaith, UEL
Caroline Toogood, London Borough of Croydon
John Waxman, Barker Langham

High Level Summary

Vision for the Future

- This project has potential to be an exemplar, in a long-term approach.
- Incorporating the community's needs in wider landscape scale projects is important and it will be interesting to see how this project can be replicated across London.
- Challenges: less money and higher competition for funding. Trust needs to find new ways to fund its programs. Cannot do this with annualised funding to ensure programs go on beyond 1 or 2 years - create cumulative change for the long term.

Funding

- Social impact bonds = poem of the future (indicates what might be possible) but is complex tool due to high set of costs, results being hard to prove, etc.

- We have proved that local citizens will co-invest (depending on how they're asked) – should not underestimate how citizens will invest their money -> Healey People's Park
- Balance of traditional and non-traditional funding can be used to make positive change in the Valley:
 - Need to move away from non-annualised funding (i.e. grants), otherwise the Trust cannot deliver its strategic objectives
 - CIL can be used as a mechanism
 - Need a Board to drive these goals forwards (network, put energy into work, innovation)
 - Focus on strategic partnerships
 - Create a mixed economy
- Is there anything in particular we should be asking/saying when pitching for the money? Link the WV with existing projects & promote shared strategic objectives
- Underlying issue = where is money coming from? Can look to GLA, but should also look for support elsewhere, because it is a complex project that might be beyond the GLA's capabilities
- Most local authorities in the WV are shy in investing in new green infrastructure. Making the WV as a destination place can increase great economic activity.

Good Growth

- What the Wandle Valley represents in terms of growth is important and getting good growth right is imperative
- Focus on first 3-5 years and get the mechanisms right to propel things forward
- Value generation has to be linked/anchored to growth agenda
- The Wandle could be the difference between growth and *good growth*.
- We'd like to see a coalition of interests - don't want to lose faith before we get onto the broader activities
- 3 years is a tight time horizon – lets root these plans down a bit, more practically.
- Must submit proposals to a higher power (ie GLA) to get a dynamic vehicle which will eliminate light weight members off the board. Only those truly interested in the WV will remain.

CIL

- 50,000 new homes over next 10 yrs in the WV = opportunity to strengthen the ecosystem (social, economic, environmental)
- There is potential to add a small levy on new homes/developments
 - North Notts is a successful case study which applied a 1% levy on business rates (capped at 12k) and raised over £600,000
 - Relevance to Wandle: could better connect GI with business imperatives and promote Wandle as a business case

- Opportunity for fair and sensible funding of this growth – take a small levy (CIL based on new home building) and agreement between all 4 boroughs results in a good business model!
- Concentrating on Lee Valley levy won't work well
- CIL can enable the Trust to be in a firm place; If we could attain the levy reduction amount each year, we could continue to sustain the Trust's work
- Brexit & uncertainty will affect CIL
 - Wandsworth will have to fight to keep money in the Wandle Valley
- Must work with local authorities on this – they want the best for the Wandle but also have their own interests in mind
 - CIL will be redirected to Wandle from the local authority itself
- However, CIL is dwindling at the borough level – should not be part of our long-term goals (as it is not infinite in itself)
- CIL (or other contribution surcharge) is difficult. We need to define the value additions for the Wandle Valley – where is WV adding value? Once defined, it will be much easier to get members' & planners' minds to garner funds.
- Must get through next 5 years – don't worry about whether CIL will run out. What we need to do is get it right now, initially.
- CIL as a 'kickstart': can also be used as revenue maintenance. Gives freedom of flexibility written into agreement between all 4 boroughs
- What is the CIL going to be used for? Practical measure and necessary conversation – platform to build upon. If we get it wrong, will only be seen as a tax. If we get it right, will be seen as income generation mechanisms for the future.
 - A proportion of CIL will be used for diverse projects, but actually the development of the Trust IS a project. We need CIL to fund the Trust.
- We must map where levies are going towards green infrastructure – would make a big difference as local levies are an answer for long term funding.
- Putney & Wimbledon conservators is a similar example
 - Their council tax (if living in properties nearby Putney Heath and Wimbledon Common) is given towards the sustainability of these parks
 - Who truly benefits from this? New residents or old residents?
- Could there be a levy on existing properties in the WV? Property value increases significantly if so. HOWEVER, the Trust needs to prove that they are doing something worth putting a levy towards.
- A caution: be wary of the privatisation of what should be public space. There should be health and wellbeing for all, not just for those wealthy enough to afford it.

Green Infrastructure

- Uni. of East London students are working on a green audit of areas in the WV. This is the first live project – trying to put a strong piece of work into the BID.
- Large scale infrastructure is not a single scale project, must work with multiple streams.
- Energy benefits for the community is a big thing – there is only so much one can get from black roofs -> cooling benefit would be major added value and bring savings
- Most infrastructure is delivered on the back of planning permissions
 - Portland, Oregon = fantastic case. BUT they own the draining system. They own the asset so can control the funds
- Local authorities should support environmental benefits which bring in economic saving benefits.
- The WV is a tributary of the Thames, and when it comes down to developers coming to the WV, they will see value in it. However the value is less obvious as you go down the WV in to the South
- Jurgen's presentation is great, but this is not the right audience – must present to a higher body like the GLA!

BIDs

- BIDS in London are increasingly looking for projects in coalition, they recognise the need for common agenda (and intangible services)
 - There is a precedent for doing so in the WV – the trail passes through all the current BIDS
- Opportunity to have a Wandle Valley BID Forum (will be looked upon during the analysis of the Governance model)

Land Ownership

- What are the potential gains for homeowners? Is there scope for landownership-scale incentives? There is a challenge doing this in the WV – too many landowners, hard to measure, etc
- There is added value in becoming a landowner in the WV to earn revue. Homeowners can host events, host exhibitions, etc., creating value and revenue in community projects just by owning the land.
- However, politicians are reluctant to give up *control* of their public spaces
- Each bank of the river is owned by individual owners. Communities must come together but a lot of owners don't realise (or don't want) that responsibility
- The National Trust & TFL own parts of the trail and lease it out - It's hard to track who owns what
- The WV does not align to borough boundaries so assets are tricky - Cycle trails and biking hubs are sub-assets which drive the larger asset that is the wider WV.

Summary of Discussion

Getting *good* growth, rather than just growth per se in the Wandle Valley is imperative. The Wandle Valley certainly has the potential to be an exemplar for good growth but there is a need to focus attention on the first few years and ensure the appropriate funding mechanisms are in place to drive things forward. The repatriation of the Lee Valley levy is unlikely to provide a funding solution for the Trust anytime soon given the rate of progress on this issue. However, the use of CIL and/or a levy on new housing development looks more promising.

On the face of it, CIL appears to provide a fair and sensible way to fund the development of the Regional Park. It can be used to support big strategic projects and also smaller ones. But CIL is by no means an infinite resource and may ultimately only be available to the Trust to 'kick start' the process. The development of the Trust can be viewed as a project in itself and so a proportion of CIL could conceivably be used to cover the costs of the Trust's own operation.

Whatever its intended use of CIL may be, the Trust needs to recognise that individual Local Authorities have their own plans for utilising this money and will need to be persuaded that the Trust is adding sufficient value in the right ways in the Wandle Valley. Ensuring that the Trust's priorities are closely aligned with those of the LAs will be a key step in getting access to CIL. It will be much easier to persuade members and planners of the need to garner the money once the 'added value' is clearly defined. That said, given the funding pressures that Local Authorities face, their own borough-specific funding priorities, and their tendency to be reluctant to invest in new green Infrastructure, there may be a need for a 'higher authority' to take strategic control of the allocation process, at least in terms of defining how CIL should be spent across London. As a strategic body, the GLA is an obvious candidate, but may not have the capacity or power to perform this function. But irrespective of how money might be allocated in future, it would be useful to map where CIL is currently being directed to 'greening' activity in the Boroughs and for there to be more information sharing on this.

Making multi-benefit business cases for Green Infrastructure Investment is vital. Examples from the Netherlands show that such business cases can be made up from individual 'building blocks' - each block in the sequence being a 'green' intervention that not only yields significant benefit in itself but also facilitates the subsequent implementation of other blocks. Very impressive large-scale positive change - yielding financial as well as environmental benefits - has been achieved through this sequential approach although how well it would translate to the UK, and the Wandle Valley in particular, is uncertain given differences in culture, scale and organisation. Whilst it is possible to incorporate green innovation into new infrastructure and housing projects through planning policy (e.g. London Plan) and planning permissions, in the Wandle Valley and indeed elsewhere in London, there is a need to find ways of encouraging more retrofitting activity.

Local levies offer a potential long-term funding solution for the Regional Park, as demonstrated in the case of nearby Putney Health and Wimbledon Common where a proportion of the council tax paid by local residents goes towards the upkeep of these open spaces. Similarly, there could be scope for a local levy on existing properties in the Wandle Valley, justified by the anticipated rise in property values as the Regional Park develops. Any local levy system does though need to be seen to be fair - local residents may balk at paying the levy if the benefits are mainly felt by tourists or people commuting into the Valley on a daily basis to work. No matter who stands to benefit, introducing a local levy would be a politically fraught exercise in the current day and age, and the Trust would need to robustly demonstrate it is doing something worth putting the money towards.

When looking at potential future funding models, there is a need to be wary of the privatisation of what should be public space. It is important to ensure that the health and well-being benefits remain available to all, irrespective of individual financial circumstances.

Business Improvement Districts (BIDs) could offer potential funding opportunities at both a local and area-wide level where the business community is eager to make improvements that will improve competitiveness and commercial performance. Legislation relating to BIDs gives some leeway for this, and there is evidence that the desire is there to support certain projects. BIDs in London are increasingly looking to work in coalition, recognising that they have a common agenda. The Wandle Trail passes through all current BIDs in the valley and this could give them a common point of reference to coalesce around. Certainly, there is scope to establish a Wandle Valley BIDs Forum as an element of the Trust's new governance model.

Similarly, there could be potential for landowners to work in coalition to help bring about environmental enhancements. However, there is a plethora of landowners in the Wandle Valley, possibly too many people to act collectively in an effective way. Notwithstanding that, there would be value in establishing to what extent landowners (in particular the ones with large land holdings) have ambition in this regard and whether their interests and perspectives align with those of the Trust.

Although there is a determination to move away from annualised funding mechanisms, grants can still be part of the future funding mix. Securing grants to support projects is a palpable way in which the Trust (as a charity) can add value. However, it will be important to ensure that the Trust stays focused on its strategic objectives and resists the temptation to shape its activity to suit whatever grants may be available at any given time.

The acquisition of assets in order to generate revenue, and thereby reduce future reliance on levies and grants should not be ruled out despite the liabilities that can accrue. The Lee Valley Regional Park levy is progressively reducing as a result of the Park Authority's ability to extract significant income from the commercial assets it holds. Clearly the Wandle Valley lacks comparable large-scale venues but there is nevertheless potential for the Trust to exploit business opportunities linked to the use of the Wandle Trail and the riverbank. There is a wider question as to whether it would be desirable for the Trust to own or lease land for revenue, a strategic move which could also help to address the long-term maintenance needs of the land in question. However, politicians are reluctant to give up control of public spaces.

