REPORT BY THE ASSISTANT CHIEF EXECUTIVE (CUSTOMERS AND PARTNERSHIPS) ON THE FINDINGS OF A RECENT SURVEY OF RESIDENTS IN THE WANDSWORTH PART OF THE VAUXHALL NINE ELMs BATTERSEA OPPORTUNITY AREA. (QUEENSTOWN)

SUMMARY

The Council, via the Housing Strategy Team, commissioned a survey of residents in recently built (within the last ten years) developments in Nine Elms to begin to ascertain the characteristics of newly arrived populations. An analysis of occupancy levels in the new developments is also being undertaken. The findings from this work are summarised in this report.

The Director of Resources comments that the cost of this survey and all future regular surveys will be met from within existing approved Nine Elms related budgets, fully funded by S106/CIL Development Infrastructure Funding Study (DIFS) budgets and other external contributions.

GLOSSARY

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tr>
<td>CIL</td>
<td>Community Infrastructure Levy</td>
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<td>DIFS</td>
<td>Development Infrastructure Funding Study</td>
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<td>GLA</td>
<td>Greater London Authority</td>
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<td>NEV</td>
<td>Nine Elms Vauxhall</td>
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<td>NLE</td>
<td>Northern Line Extension</td>
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<td>S106</td>
<td>Section 106 of the Town and Country Planning Act 1990 (as amended)</td>
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<td>TfL</td>
<td>Transport for London</td>
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<td>VNEB</td>
<td>Vauxhall Nine Elms Battersea</td>
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RECOMMENDATIONS

1. The Finance and Corporate Resources Overview and Scrutiny Committee are recommended to endorse the contents of this report. If they approve any views, comments or recommendations on the report, these will be submitted to the Executive, or to the appropriate regulatory or other committees, for their consideration and approval.
2. The Executive is recommended -

(a) to note the findings from the recent survey of residents in new developments in the area – to be published on the Council’s website; and

(b) to note the intention to run future such surveys in order to gauge how a population is likely to change over time as infrastructure is delivered.

INTRODUCTION

3. As the first wave of new developments start to complete in Nine Elms, the Council is keen to establish an understanding of the new residential population occupying them. This is important to feed into work on the scope and timing of new infrastructure to support the area as well as steps that the Council and its partners can take to respond to issues and concerns whilst the area is still developing. There has been much speculation and commentary regarding the new residential community in Nine Elms but a more informed analysis is required to provide a foundation for future planning.

SURVEY OF NEW DEVELOPMENTS IN NINE ELMS

4. In April 2017, the Council commissioned BMG Research, an independent research company, to provide intelligence on the nature and composition of the new residential households in Nine Elms and other selected riverside developments in Wandsworth Borough. This is the first in a series of surveys of the Opportunity Area and will provide a baseline for assessing the demographic as it develops, to help the Council understand how well existing planning policies and delivery plans are working. A summary of the findings is attached as Appendix 1 to this report and the full report will be available on the Council’s website.

5. The objectives of the surveys were to understand occupation levels, breakdown of tenure, household composition, resident satisfaction levels and the demand for local services. The most significant context point is that the results must be seen as a snapshot of a newly arriving population which will not have the same profile of a more settled population. The results of these surveys will also assist the Council in refining its population yield calculator, which is currently based on the 2011 Census, to ensure a good basis future planning and infrastructure requirements.

6. The survey of residents in the Borough – which took place in the period of April to August 2017 – was undertaken across five developments in the Nine Elms area (334 Queenstown Road, Chelsea Bridge Wharf, Embassy Gardens, Riverlight and Viridian Apartments) and two developments outside Nine Elms (Battersea Reach and Osiers Road). There were 873 responses out of 3,961 addresses across these seven developments, equating to an overall response rate of 22%.
7. It is acknowledged that the overall response rate is lower than achieved in previous surveys of new housing (49% in 2004, 35% in 2007). This however, is in the context of diminishing response rates to surveys, both nationally and locally. Flatted developments of the nature used in this survey are expected to be ‘hard to count’ as recognised in the 2011 Census.

8. Face-to-face contact can be limited by access restrictions, working hours and social activities of occupants, although face-to-face interviews were attempted at a range of times and days. This is amplified by the skewed population of Wandsworth’s overall demographic, as home to one of the largest proportions of young professionals in the country. The survey methodology and mode of contact will, therefore, need to be reviewed ahead of future surveys to ensure mobile technology and social media opportunities are fully explored to maximise the number of responses.

FINDINGS

9. The overall findings of this research indicate that the majority of households across the developments are UK citizens who are employed full-time, with earnings broadly in line with the average for London. Comparisons with a similar Borough-wide survey on recently-developed properties undertaken by the Council in 2007 are made where possible and show that the demographic profile of respondents were representative of the Borough as a whole. Overall, there are similarities between the two surveys indicating that the populations choosing to live in the 2017 survey area are also representative of the overall Borough demographic profile.

10. The vast majority of respondents to the 2017 survey said that their previous address was in London and stated that their home in the survey area was their only residence. In addition, the majority of children attend, or are expected to attend, a State school and the survey found a greater proportion of households gave this response compared with the survey undertaken in 2007.

11. The most common tenure type was found to be private sector renters, which likely impacted the response to questions relating to respondents’ future plans. A significant proportion of respondents said that they plan to live at their current address for less than three years, which is expected of the young and highly mobile demographic in the Borough and in large part the newness of the developments in this area. The greatest proportions wish to move in order to relocate to a larger property or so that they can buy rather than rent.

12. This survey indicates that there is little evidence of a significantly higher number of overseas buyers in the area. Although the percentage of respondents with overseas passports is slightly higher than the average for the Borough, this represents a small proportion of all households. In addition, residents holding a non-UK passport are more likely to rent their property and less likely to own their home than UK passport holders.

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13. The survey found that there were high levels of satisfaction with the quality of homes and developments, which were aligned with results from the 2007 survey. There were noticeably lower levels of satisfaction for external noise levels and local facilities. The Council’s Core Strategy identifies these as areas for improvement and details proposals relating to how this will be achieved. These low satisfaction levels are also likely to be linked to the ongoing development work in the area, which would contribute to the noise and the continued improvement in local facilities.

14. It is proposed that this is the first in a series of surveys of the Opportunity Area to provide a baseline for assessing the demographic as it develops, enabling the Council to understand how well existing planning policies and delivery plans are working.

15. Separate pieces of research conducted by the Council and the University of York have estimated high occupancy levels in the area. The Council’s own research of occupancy levels involved analysing administrative data to provide an insight into the ownership of properties in the Nine Elms Vauxhall Opportunity Area (NEVOA). This piece of research estimated that the occupation level was at least 86% in the NEVOA. The work completed by the University of York came to a similar conclusion. This paper used Land Registry information and commercial demographic data to estimate that the occupancy rate in new build properties in ‘new growth’ zones in London (which includes Wandsworth Borough) is 85%. These findings strongly indicate that there are high occupancy levels in new builds in the Borough.

**IMPACT OF OVERSEAS INVESTMENT**

16. The Nine Elms area has seen significant overseas investment which has played a large part in securing the high levels of development in recent years. However, the extent of foreign investment has led to concerns regarding occupation levels in new build developments.

17. The results of the first survey of new housing in the area, together with an analysis of occupation levels, suggest that overseas investment has had a positive effect in bringing forward new homes that are primarily occupied by households who have previously had a London address (many of those a Wandsworth address). The profile of the population is broadly in line with that of other new developments in the Borough.

18. Overseas investment has also enabled the affordable housing element of these schemes to be brought forward more quickly. The proportion of survey respondents in affordable housing tenures is lower than the actual proportion of homes in the area. Nonetheless, it is known that the vast majority of residents will have lived or worked in the Borough.

19. Much commentary on the impact of overseas investment suggests that it results in unoccupied homes or provides properties that do not meet the needs of Londoners. Analysis of the initial investment in Nine Elms suggests
these conclusions are unfounded. Indeed, they echo analysis undertaken by the London School of Economics in conjunction with the University of York for the Mayor of London last year ("The role of overseas investors in the London new-build residential market", May 2017)\(^2\) that concludes that overseas investment provides an overwhelmingly positive contribution to London’s housing requirements.

**COMMENT OF THE DIRECTOR OF RESOURCES**

20. The cost of this survey and all future regular surveys will be met from within existing approved Nine Elms related budgets, fully funded by DIFs and other external contributions.

**CONCLUSION**

21. The results of this survey are intended to provide a baseline for the Council’s evidence base that will grow over time. At this early stage of development, caution is necessary in drawing firm conclusions to feed into infrastructure planning at this time. However, there are welcome results here, with high levels of satisfaction with the quality of homes and developments, consistent with the results from a similar survey undertaken in 2007. These early findings also indicate that there is not a significant number of overseas buyers in the area, with the largest proportion of residents holding passports from overseas renting their home. It is proposed to run a series of regular surveys in order to gauge how a population is likely to change over time as infrastructure is delivered.

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SW18 2PU

13th February 2018

Background papers

No background papers were used in the preparation of this report.

All reports to Overview and Scrutiny Committees, regulatory and other committees, the Executive and the full Council can be viewed on the Council’s website (www.wandsworth.gov.uk/moderngov) unless the report was published before May 2001, in which case the Democratic Services Manager, Graham Collins (020 8871 6021); email: gcollins@wandsworth.gov.uk can supply it if required.