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HOUSING AND REGENERATION SCRUTINY PANEL

**Monday, 21st October, 2024 at 7.00 pm in the Conference Room,
Civic Centre, Silver Street, Enfield, EN1 3XA**

Membership:

Councillors: Mahmut Aksanoglu (Chair), Kate Anolue (Vice-Chair), Lee Chamberlain, Margaret Greer, Tom O'Halloran, Edward Smith and Doug Taylor

AGENDA – PART 1

1. WELCOME & APOLOGIES

2. DECLARATIONS OF INTEREST

Members of the Panel are invited to identify any disclosable pecuniary, other pecuniary or non-pecuniary interests relevant to the items on the agenda.

3. MINUTES OF PREVIOUS MEETINGS (Pages 1 - 10)

To agree the minutes of the Housing Scrutiny Panel held on 22 April 2024 and the Regeneration & Economic Development Scrutiny Panel held on 26 March 2024.

4. UPDATE ON THE ENFIELD LOCAL PLAN (Pages 11 - 14)

To receive the report of Perry Scott, Executive Director of Environment and Communities / Brett Leahy, Strategic Director of Planning and Growth.

5. PLANNING AND BUILDING CONTROL SERVICES PERFORMANCE
(Pages 15 - 18)

To receive the report of Perry Scott, Executive Director of Environment and Communities / Brett Leahy, Strategic Director of Planning and Growth.

6. HOUSING GATEWAY LTD - UPDATE (Pages 19 - 26)

To receive the report of Joanne Drew, Strategic Director of Housing & Regeneration / Kayt Wilson, Head of Private Housing Solutions.

7. WORK PROGRAMME 2024/25 (Pages 27 - 28)

To note the Housing & Regeneration Scrutiny Panel Work Programme 2024/25.

8. DATES OF FUTURE MEETINGS

To note the dates of future meetings as follows:

Tuesday 10 December 2024

Tuesday 4 February 2025

Monday 24 March 2025

Additional Meeting (April 2025-date TBC)

All meetings will commence at 7:00pm and will be held in the Conference Room at the Civic Centre.

HOUSING SCRUTINY PANEL - 22.4.2024**MINUTES OF THE MEETING OF THE HOUSING SCRUTINY PANEL HELD ON MONDAY, 22ND APRIL, 2024**

MEMBERS: Councillors Kate Anolue, Josh Abey, Nicki Adeleke, Lee Chamberlain, Adrian Grumi, Nelly Gyosheva, Tom O'Halloran and Eylem Yuruk

Officers: Neil Wightman (Director of Housing Services (residents))

Also Attending: Cllr George Savva (Cabinet Member for Social Housing) and 1 member of the public

1. WELCOME & APOLOGIES

The Chair welcomed everyone to the meeting and introductions were made.

Apologies were received from Joanne Drew (Strategic Director of Housing and Regeneration).

2. DECLARATIONS OF INTEREST

No Declarations of Interest were received.

3. MINUTES OF THE PREVIOUS MEETING

AGREED the minutes of the meeting held on 11 March 2024.

4. HOUSING FRAUD/ILLEGAL SUBLETTING

RECEIVED the report of Neil Wightman (Director of Housing Services (residents)).

Neil Wightman presented this item; the short report provided introduced the work undertaken around housing fraud. Council housing fraud affects the availability and quality of housing available. It is important that fraud is both tackled and taken very seriously. Officers undertake a lot of detailed verifications and investigations pre and during applications. Fraud can also come to light post application.

The report details the main areas of fraud; Housing Application Fraud (involving applications to the housing register or homeless applications); Occupancy and Subletting fraud. Council tenants do not have permission to sublet, so if this occurs and they no longer reside there as their main primary home then this is a breach of their tenancy; Succession Fraud (this tends to occur in larger properties) and Right To Buy Fraud.

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Section 4.4 provided some examples of the work of the Counter Fraud Team. They undertake both preventative and proactive work. However, most of their work is reactive. Most fraud cases are from referrals e.g., from employees, councilors, contractors, and residents on suspected fraud cases.

Section 4 provided some information around cases where there has been an established outcome and some examples of case studies are also provided in the report (section 5), highlighting some of the powers that the counter Fraud team have.

Observations were then made, and questions taken:

A general observation on the report was that it contains no details on prosecutions which would have been helpful to demonstrate impact. It would also be helpful to provide comparison with the rest of London or the country if data is available. Neil Wightman to provide clarification of whether there is benchmarking undertaken. **Action Neil Wightman**

Neil provided clarification on the table in the report the asterisks indicated notional recovery figures per case. The table is successful cases only, however many other cases are being investigated. Some cases will take a lot longer, dependent on many factors such as the response of the person being investigated, the type of case, and intelligence received. The number of cases will fluctuate.

In response to a query on the difficulty of seceding with a case where fraud is suspected, members were advised that the burden of proof is high, there will often be conflicting evidence and a judgement must be reached. The more complex cases can go on for long time.

Following safety concerns raised on intelligence from the public and possible repercussion it was confirmed that the intelligence is used anonymously. It was not expected that those reporting completed a witness statement. This information is the start of a formal investigation. Neil Wightman to confirm whether people are aware when they report fraud that it is anonymous. **Action Neil Wightman**

It was clarified that it is in all tenancies for both Council and Housing Association that tenants cannot sublet their entire property.

Neil Wightman agreed to provide more details on preventative work following a request. **Action Neil Wightman**

It was confirmed there is one team the counter fraud team. They deal with the more difficult cases. The actual number of staff on this team is to be confirmed. **Action Neil Wightman**

The Housing Teams generally will deal with cases where they are investigating, particularly in homelessness. Homelessness and housing applications are statutory, and it is necessary to provide correct evidence

HOUSING SCRUTINY PANEL - 22.4.2024

which will be examined and needs to be verified. The fraud tends to come at a later stage and would then be investigated by the counter Fraud team.

It was queried for fraud caseloads how many cases on average result in an established outcome. Neil Wightman agreed to provide. **Action Neil Wightman**

In response to a query on prosecutions the panel was advised that on any fraud case or possession action there will be a legal judgement on whether the threshold has been met. If this is met the council will always prosecute. The sentence given would typically be fines or barring from the housing register for a period of time. These cases tend to be civil matter not criminal in general. A rent repayment order is possible where monies have been accumulated illegally.

Rogue landlords were also discussed and the dangers around the safety of the property where properties have been sublet illegally.

Following a query of succession fraud, it was confirmed that if a son/daughter has been living with their parents for a long while and caring for them will have a legal right to succeed in the tenancy. It may be more complicated where the relative is more distant or a carer this would be looked at under a discretionary policy on the right to succeed. The right is not the right to the home it is the right to housing. Often the home is larger than is needed, so the family will need to be allocated a right sized home.

5. REVIEW OF SOCIAL HOUSING ALLOCATIONS POLICY

RECEIVED the report of Neil Wightman (Director of Housing Services (residents)).

Neil Wightman presented this item which was a follow up to the last report at the last Housing Scrutiny meeting. The report provided an update on the review of social housing allocation scheme.

The responsibility of any scheme is to allocate a very limited resource to those in the greatest need. This is regulated under the Housing Act which provides the framework for how the scheme is run and what must be included.

Any new scheme will have an Equalities Impact Assessment undertaken.

The Scheme was last updated 18 months ago so this will be a light touch review. The Government is consulting on this which was covered in the report to the last meeting and the main areas that they are looking at are detailed in the report.

There are two options for the scheme these being bands or points. Under points the need is calculate against different points examples are contained in the report. Bands is usually easier to understand and involves 4 to 5 bands. Point schemes are more flexible despite being more complicated as there are

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more categories. Points systems better represent those who have more complex or cumulative needs.

The points scheme is currently used and going forward it is proposed to continue. The current scheme uses Choice Based Lettings which is a national product the recommendation will be to keep CBL.

Qualifications was covered at the last meeting; part of the consultation will be on whether to move to a longer period to establish a local connection. The Government is proposing 10 years for UK residents. A number of local authorities are moving to a higher threshold.

Priorities will be looked to see if they can be improved the main priority will remain overcrowding. The question to be looked at is who should be prioritised in terms of overcrowding and the issues to consider exception exclusions were detailed in the report. Adults in the household to be looked at a number of schemes with other local authorities do not include this group.

Enduring and cumulative needs will be recognised, want to look at where there is greater need within a household. The possibility of including neurodiversity is being explored going forward, particularly around children. There is a legal duty to offer a secure tenancy to households in temporary accommodation pre 2012 (currently 270 households).

There are a limited number of priorities that can be maintained due to the number of allocations made. Approximately just over 400 allocations are made each year including housing associations as well as Councils own stock. But with thousands of people on the register and thousands of homeless households, it is a difficult balancing act. Each year the number of people applying for housing goes up.

It was stressed that this is not a waiting list it is a Needs Register people often find this difficult to understand or rationalise. This is especially true if they have been waiting a long time.

Observations and discussions were then held around the following:

It was confirmed that the 10-year local connection will not be retrospective.

The one offer on Regeneration will be maintained, and these residents will not be impacted by the local connection.

At the point of consultation there will be a fully worked up document to look at. This will include Impact assessment information.

Clarification was sought on potentially including neurodiversity what this could mean. Generally, schemes that exclude over 21 years olds do not exclude people with health problems or vulnerabilities. Neurodiversity would be explored with dependent children. It was noted that families may have multiple

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complex needs including, physical health, neurodiversity as well as mental health. Trying to explore within the scheme giving additional priority.

The points system in general is a frequent casework item for many councilors. It was felt that residents did not appreciate that it is a need register rather than a waiting list. Residents get very frustrated. It was felt that it is very important to make clear when people apply that it is needs based and waiting time does not affect their place. Officers advised that whilst it is explained, this remains a constant question and frustration for people, with unfairness perceived. Officers confirmed that will be reviewing what is on the website and information provided to try to make more straightforward and clearer. **Action Neil Wightman**

Observation regarding 10-year local connection, there maybe people with a shorter local connection who often have an association with a lower income or more instability in their life. There was also mention of those who live on the borders on neighboring boroughs and may move short distances and this be counted against them in respect of a 10-year connection, it was felt that a little flexibility is needed. Officers advised that it is difficult to build in too much flexibility as the scheme then become open to challenge. People can apply to multiple local authorities; many local authorities will have same threshold. Nuances to be worked through.

Around exceptions to exclusions for those over 21 indicated in agenda papers are over 60 years old, it was queried why they are included as a blanket category. Over 60 years olds are not inherently vulnerable. Officers advised that a suggestion is that this group could be included and is open for discussion. It is ensuring that people are included for the right reasons, challenge on this point noted.

It was raised that the Allocation scheme is unpopular and complicated and leaves many disappointed families. There needs to be a way to explain better each time residents contact how the scheme works and the effect of any changes to their points. Overall improved explanation and education is needed. Officers advised that this will be part of the process going forward.

Officers were thanked for their time.

6. **WORK PROGRAMME 2023/24**

NOTED the completion of the Work Programme for 2023/24 and that the Housing Scrutiny Work Programme for 2024/25 will be discussed at the first meeting of the new municipal year.

7. **DATES OF FUTURE MEETINGS**

NOTED that future meetings will be confirmed at the Annual Council meeting on Wednesday 15 May 2024.

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The meeting ended at Time Not Specified.

MINUTES OF THE MEETING OF THE REGENERATION & ECONOMIC DEVELOPMENT SCRUTINY PANEL HELD ON TUESDAY, 26TH MARCH, 2024

MEMBERS: Councillors: Mahmut Aksanoglu (Chair), Hivran Dalkaya (Vice Chair), Nelly Gyosheva, Ahmet Hasan, Mohammad Islam, Hannah Dyson, Tom O'Halloran, and Edward Smith.

Officers: Laura Martins (Head of Inclusive Growth and Skills), Penny Halliday (Director of Meridian Water), and Harry Blake-Herbert (Governance Officer).

Also Attending: Cllr Chinelo Anyanwu (Cabinet Member for Public Spaces, Culture & Local Economy), and press.

1. WELCOME & APOLOGIES

The Chair welcomed everyone to the meeting.

Apologies for absence were received from Cllrs Joanne Laban and David Skelton, who were substituted by Cllrs Tom O'Halloran and Hannah Dyson, respectively. Apologies for lateness were received from Cllrs Ahmet Hasan and Mohammad Islam.

2. DECLARATIONS OF INTEREST

There were no declarations of interest received regarding any item on the agenda.

3. MINUTES OF THE PREVIOUS MEETING

AGREED the minutes of the previous Regeneration & Economic Development Scrutiny Panel meeting held on Tuesday 30 January 2024.

4. PARTNERSHIPS & SKILL GAPS AND FUNDING

Laura Martins, Head of Inclusive Growth and Skills, introduced and highlighted the key aspects of the report, including but not limited to: the council's existing skills and employment offer, how it is funded, how they are looking to address sectoral skills gaps and support residents in the borough, and successes achieved to date.

In response to Members' queries regarding skills gaps, officers advised that the main areas they were targeting were creative industries, green construction and health and social care. Officers would come back to Members with specific details as to the age range of those effected by skills gaps.

REGENERATION & ECONOMIC DEVELOPMENT SCRUTINY PANEL - 26.3.2024

In response to Members' questions and comments relating to fallout rates, Cllr Anyanwu and officers responded that at their recruitment events, they gathered data from those in attendance, including the area they lived and their interests. The data collected was being followed up on to enable a better understanding of demographics and allow for more targeted engagement in the future. As part of the grant funding the council received, they were required to demonstrate that this data collection was being done. Businesses present at the first of these events fed back that one in ten of the 400 attendees had secured employment, and employers had signed back up for the second event which was attended by more than twice the number of people.

In response to Members' enquiries regarding the STEPs programme, Cllr Anyanwu and officers replied that in some cases, other outcomes needed to be overcome before residents could secure employment, such as food poverty and health and wellbeing, which the council were trying to support with. It was said that they were limited in terms of capacity as to the number of people they could work with, but had been signposting those with interest to the relevant services, and a number/ variety of positive outcomes had been achieved. There was set criteria as to who the programme could work with and how, and this criteria could be shared with Members. Officers added that following the end of that programme in December 2023, an evaluation had been conducted, and the data/outcomes of this could also be shared with Members.

In response to Members' questions relating to the Meridian Water skills academy, officers advised that it had been fairly successful since opening last year, with 19 courses currently being offered, such as brick laying. Construction at Meridian One was utilising the skills academy and looking at employment opportunities, including site management; and partners were getting involved in its promotion. Around 150 people had attended the academy, with the aim being for 500 people to attend each year as time went on and it became more publicised. The Inclusive Growth and Skills Service forum was said to be an avenue of encouraging/promoting the academy.

In response to Members' queries relating to future work streams and engagement with young people, officers responded that the service was working to identify gaps and see what funds could be secured that would allow them to deliver this. Cllr Anyanwu added that officers were looking to carry out more engagement, they were identifying areas to prioritise and wanted to target schools, but faced a challenge in the form of funding gaps.

In response to Members' questions and comments regarding other authorities, officers replied that they were working/ partnering with neighbouring boroughs, but the extent to which such collaboration could occur depended on the funding available. Some benchmarking had been carried out and information gathered, for example whether other councils were conducting mixed or phased single employment forums, as a means by which to ensure that the best methods were being pursued.

REGENERATION & ECONOMIC DEVELOPMENT SCRUTINY PANEL - 26.3.2024

The Panel AGREED to note the report.

5. DATES OF FUTURE MEETINGS

Members noted that the dates of future meetings would be confirmed following Annual Council on 15 May 2024.

6. EXCLUSION OF THE PRESS AND PUBLIC

A resolution was passed under Section 100(A) of the Local Government Act 1972 excluding the press and public from the meeting for the items of business listed on Part 2 of the agenda on the grounds that they involve the likely disclosure of exempt information as defined in those paragraphs of Part 1 of Schedule 12A to the Act (as amended by the Local Government (Access to Information) (Variation) Order 2006).

7. MERIDIAN WATER UPDATE

Penny Halliday, Director of Meridian Water, introduced and highlighted the key aspects of the report.

Officers responded to Members' enquiries with regards to Meridian Water.

Members expressed that an update on this item should be considered for the 2024/25 work programme.

Following Part 2 discussions, the item/ report was noted.

The Chair thanked Members and officers for their time and contributions and the meeting ended at 19:50.

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London Borough of Enfield

Report Title	Enfield Local Plan Regulation 22 Submission Update
Report to	Housing and Regeneration Scrutiny Panel
Date of Meeting	21 October 2024
Cabinet Member	Councillor Susan Erbil
Executive Director / Director	Perry Scott, Executive Director of Environment and Communities Brett Leahy, Strategic Director of Planning and Growth
Report Author	May Hope, Head of Strategic Planning and Design
Ward(s) affected	All wards
Classification	Part 1 Public

Purpose of Report

1. This report provides an update on the Enfield Local Plan (ELP) 2019-2041 following its submission under Regulation 22. It addresses feedback from the Regulation 19 consultation, key challenges raised by Inspector Steven Lee's preliminary questions, and the next steps in the examination process.
2. Additionally, this report outlines how the Council has met its legal obligations under the Duty to Cooperate and the findings of the Integrated Impact Assessment (IIA), offering a structured response to some of the key objections raised by respondents.

Submission and Examination Process

3. The Enfield Local Plan was submitted to the Secretary of State on 6 August 2024, and Inspector Steven Lee was appointed on 12 August. On 6 September, the Inspector issued his preliminary questions, focusing on key issues such as housing need, Green Belt release, and the deliverability of

infrastructure. This is a standard step that allows the Inspector to delve into the specifics of the Plan. The Council is required to respond to these questions to demonstrate that the Plan is justified, effective, and aligns with both national and regional policies.

4. The examination process will determine whether the plan meets the tests of soundness as outlined in the National Planning Policy Framework (NPPF). The Council is preparing detailed responses to the Inspector's questions and continues to engage with key stakeholders.

Key Issues Raised During Consultation

5. Several respondents, including environmental groups and local residents, have raised concerns about the proposed release of Green Belt land for development, particularly in areas such as Crews Hill and Chase Park. Despite this, the Duty to Cooperate Statement highlights the Council's engagement with neighbouring authorities, the GLA, and statutory consultees like Natural England, demonstrating that, in the Council's view, exceptional circumstances justify the Green Belt release. Without releasing some Green Belt land, the Council would be unable to meet its housing needs, especially for family and affordable homes. Alternatives, including brownfield sites, were considered, but the assessment concluded that additional land was needed to meet the Boroughs housing needs.
6. Some respondents questioned the housing target of 33,280 homes, arguing that they were based on outdated data. In response, the Integrated Impact Assessment (IIA) reaffirms that the housing targets are aligned with both the London Plan and the government's Standard Method, taking into account projected population growth, affordability, and economic trends. The IIA also demonstrates how housing needs have been evaluated, ensuring that the targets are realistic and responsive to local demand.
7. Key stakeholders such as TfL and the GLA raised concerns about car dependency in rural developments like Crews Hill. Through the Duty to Cooperate, the Council worked collaboratively with TfL, Highways England, and neighbouring authorities to develop sustainable transport strategies. These include enhancements to public transport, cycling infrastructure, and road networks. The IIA further supports this by analysing the potential environmental impacts of increased car usage and outlining mitigation strategies, such as promoting active travel and securing infrastructure funding.
8. The Duty to Cooperate Statement demonstrates that the Council has met its legal obligation to collaborate with neighbouring authorities and statutory bodies. This includes rigorous discussions with Natural England and the GLA to assess the ecological and landscape impacts of Green Belt release, ensuring that biodiversity net gain policies are in place. The IIA reinforces this by examining the environmental impacts of Green Belt development and confirming that appropriate mitigation strategies have been integrated into the Local Plan.

9. Through close collaboration with authorities across North London, the Council has ensured that its housing and employment targets are supported by up-to-date evidence, as outlined in the IIA. The Duty to Cooperate Statement also highlights how joint efforts have ensured that these targets are deliverable and aligned with broader regional growth strategies.
10. The Council's engagement with Transport for London (TfL), Highways England, and local transport authorities has addressed the concerns raised regarding transport infrastructure in rural areas. The IIA includes a detailed assessment of potential transport challenges and car dependency, proposing sustainable transport solutions such as better public transport links and active travel networks. Additionally, the Duty to Cooperate outlines how infrastructure plans were developed in conjunction with key stakeholders to ensure the developments are sustainable and meet regional transport goals.

Relevance to Council Plans and Strategies

11. The Enfield Local Plan is closely aligned with the Council's Corporate Plan and the Climate Action Plan, supporting sustainable development, housing delivery, and the protection of green spaces. It also reflects the priorities set out in the London Plan and responds to Enfield's housing and infrastructure needs.

Next steps

12. The Council will submit detailed responses to Inspector Steven Lee's preliminary questions, addressing concerns around Green Belt release, housing targets, and infrastructure planning. These responses will be grounded in evidence from the Duty to Cooperate Statement, the IIA, and ongoing collaboration with neighbouring authorities.
13. The Enfield Local Plan is moving forward through its examination phase, with hearings expected to take place in early 2025. Following the hearings, any proposed Main Modifications will undergo public consultation, with adoption of the Local Plan anticipated by 2025, as per the Council's Local Development Scheme.
14. Sticking to this timetable is critical, as the potential for a pivotal moment in March 2026 looms, where the current London Plan's housing targets will expire. This moment, driven by the adoption of the new standard method for calculating housing need, will leave boroughs with outdated targets and exposed to speculative planning applications. The urgency is heightened by the draft changes to the National Planning Policy Framework (NPPF) and the forthcoming review of housing targets.
15. Ensuring timely adoption of the Enfield Local Plan will protect the borough from policy gaps and allow for proactive planning to meet significantly increased housing targets, which are expected to rise to 80,693 homes per annum for London. Delays could create legal and strategic challenges, as developers may exploit outdated policies, leading to unplanned speculative

development across the whole borough that doesn't align with Enfield's long-term objectives.

Conclusions

16. The Enfield Local Plan is at a crucial stage in the examination process. The Council has demonstrated, through the Duty to Cooperate Statement and Integrated Impact Assessment (IIA), that it has fulfilled its legal obligations and provided a sound, evidence-based plan. The next steps will involve responding to the Inspector's questions, participating in public hearings, and making any necessary modifications to ensure the Plan is adopted.

Report Author: May Hope, Head of Strategic Planning and Design.

Background Papers

- a) Duty to Cooperate Statement and Statements of Common Ground
https://www.enfield.gov.uk/_data/assets/pdf_file/0012/62022/Duty-to-Cooperate-Statement-Planning.pdf
- b) Integrated Impact Assessment and Appendices
https://www.enfield.gov.uk/_data/assets/pdf_file/0014/55040/ELP-REG19-IIA-and-appendices-Planning.pdf
- c) Inspector's Preliminary Questions
https://www.enfield.gov.uk/_data/assets/pdf_file/0013/63400/Inspectors-initial-letter-Planning.pdf



London Borough of Enfield

Report Title	Planning Service Performance
Report to	Housing and Regeneration Scrutiny Panel
Date of Meeting	21 October 2024
Cabinet Member	Cllr Susan Erbil
Executive Director / Director	Perry Scott/Brett Leahy
Report Author	Karen Page karen.page@enfield.gov.uk
Ward(s) affected	All
Classification	Part 1 Public
Reason for exemption	N/A

Purpose of Report

To provide an update on the progress of the Planning Wellness and Improvement Project (WIP) which commenced in September 2022 with the aim of improving service performance and officer wellbeing. This follows the previous update provided to the Regeneration & Economic Development Scrutiny Panel on 30 January 2024.

Main Considerations for the Panel

2. To give consideration to the progress made to date in particular in addressing:

- The backlog of planning applications and enforcement cases
- The quality of service to customers
- The wellness of officers

Background and Options

- At the start of the transformation process, the Development Management team had over 2200 planning applications on

hand, most of which were legacy (over target) cases. Following implementation of the Wellness and Improvement Project (WiP), this has reduced now to 612 cases (down from 629 cases on 30 January 24), with the majority of live cases being determined within statutory timeframes and without reliance on an Extension of Time. Officer caseloads have also reduced significantly.

- A Business Action Plan is currently being implemented to reduce the number of on hand cases further to >580; this figure represents the target ambition for the WiP. Officers are on track to meet this target by March 2025.
- In addition to the reduction in backlog of the cases, the appeal performance of the service has also improved, which is reflection of more robust decision making.
- At the start of the WiP, the Planning Enforcement team was also carrying a high and unsustainable case load (1446 registered reports of suspected planning breaches) and formal action was only being progressed in response to a limited number of cases.
- The backlog of enforcement cases has been reduced to 132 cases on-hand, and 211 formal enforcement notices have been served since January 2023, representing a significant uplift from 8 notices served in 2022.
- The number of on hand cases has risen from 96 cases reported on 30 January 24. This is a consequence of team resources being utilised in part to support the Council's wider Supported Accommodation project which commenced earlier this year.
- Notwithstanding the above, Enforcement Officer caseloads have maintained at manageable levels (30 to 50 cases depending on grade of officer) and response times to investigate enforcement complaints remain on target.
- The Development Management and Enforcement teams continue to robustly monitor performance to ensure workloads remain manageable and customer service remains high. This is supported by a Continuous Improvement Board which reviews working practices and implements service and process improvements.
- This item will be supported by a presentation at the meeting.

Relevance to Council Plans and Strategies

- The Planning Wellness and Improvement Project (WIP) supports delivery of the key priorities set out in the Council Plan

2023 to 2026. It also assists in delivering the objectives of the Council's existing and emerging Development Plan Framework.

Report Author: Karen Page
Head of Planning and Building Control
Karen.page@enfield.gov.uk

Appendices

N/A – this item will be supported by a presentation at the meeting.

Background Papers

N/A

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London Borough of Enfield

Report Title	Housing Gateway Ltd - Update
Report to	Housing & Regeneration Scrutiny Panel
Date of Meeting	21 st October 2024
Cabinet Member	Cllr Guzel
Executive Director / Director	Joanne Drew
Report Author	Kayt Wilson. Kayt.wilson@enfield.gov.uk
Ward(s) affected	N/A
Classification	Part 1
Reason for exemption	

Purpose of Report

1. The purpose of the report is to provide a mid-year update of Housing Gateway Ltd's (HGL) progress against the agreed business plan.

Main Considerations for the Panel

2. Housing Gateway Ltd (HGL) has progressed well during the first half of the year. Clear strategies were agreed in the annual business plan and this continues to be the focus for the organisation.
3. HGL is a wholly owned Council company. Its founding purpose was to assist the Council in reducing its temporary accommodation budget pressure. It offers assured shorthold tenancies, which from April 2024 have been on market rents, against which the Council can discharge its homelessness duties and these homes can be held in the company over the long term. This provides a tenure solution that the Council cannot

provide. It also provides accommodation under lease arrangements and Temporary Accommodation on LHA rent levels.

4. Since HGL's inception, it has built up a portfolio of 2,218 homes. HGL has provided a quality solution to families and is well placed to scale up to tackle the Council's challenge of eradicating the use of temporary accommodation, preventing homelessness, as well as providing a wider range of rented products with more security than would otherwise be secured in the private sector.
5. HGL's business has expanded in to three main activities:

Business	No. Of Units	Assets	Rent levels	Use
HGL Core	675	Owned	Market	PRS discharge
EL: Managed	267	Leased	Market	PRS discharge
EL: AA	1,276	Leased	LHA	Temporary accommodation
Total	2,218			

6. **Strategic Objective 1: Maximise the financial return (including minimising the nominations fee for TA and Enfield Let) to the Shareholder, contributing to the alleviation of the Council's financial pressures arising from the shortfall in the provision of temporary accommodation, whilst balancing the needs of our residents and condition of housing stock.**
7. The use of HGL's property portfolio provides the Council with alternative homes rather than using unsuitable, expensive, temporary accommodation. HGL's owned portfolio has delivered savings of £14.3m against the Councils' temporary accommodation budget.
8. HGL and the Council have collaborated to develop an open book nomination fee arrangement. This ensures that the efficiencies are maximised and the minimum level of nomination fee is applied. To date HGL has received £3.3m nomination fee in 24/25.
9. HGL has been focussing on rent collection levels and process as this is a key driver of business efficiency and in turn the level of nomination fee required. Historically HGL has always had excellent collection rates with arrears at around 5% of annual rent roll. However, since the introduction of market rents and the transfer of temporary accommodation stock which has meant tenants have moved from Housing Benefit to Universal Credit with a different payment approach and cycle, income collection has been more challenging. Current arrears are now at around 16% - 20% of annual rent roll, depending on the housing product.
10. As with most new projects, there is a bedding in period and there was an anticipation in the short term that the arrears would increase. Accordingly,

HGL increased the bad debt provision in the budget and this will continue to be kept under review.

11. The Council's Income Collection Team, who deliver this service to HGL, have created a recovery plan and are focussed on improving collection rates. A risk to this recovery plan is capacity within the Income Collection Team, but they are meeting with HGL on a weekly basis to monitor both resource capacity and progress with the recovery plan.
12. **Strategic Objective 2: Collaborate with the Council to deliver the Temporary Accommodation stock transfer by developing Enfield Let, an innovative ethical lettings agency.**
13. HGL and the Council have successfully implemented the temporary accommodation stock transfer scheme. Since April 24 549 properties have been transferred bringing the total temporary accommodation portfolio within HGL to 1276.
14. Plans are also underway to acquire homes for temporary accommodation in target areas in the M62 corridor where more affordable homes are available for residents to settle into communities, assisting the Council to find much needed accommodation solutions.
15. HGL is progressing a restructure to ensure the most efficient business model to support the changing products and solution required by the Council.
16. **Strategic objective 3: Deliver demonstrably, good quality housing for residents ensuring the portfolio meets decency standards and aligns with the Shareholders decarbonisation strategy.**
17. HGL has traditionally purchased all properties as assets of the company. However, several new funding regimes have been introduced during 2024/25 which has necessitated a holistic view of the best way to purchase properties across the Council. As a result, HGL has developed to become the purchasing arm for the HRA, this allows the council to maximise available grant.
18. HGL has been tasked with delivering the properties detailed below on behalf of the HRA:

Targets	24/25			25/26			Total
	2 bed	3 bed	4 bed	2 bed	3 bed	4 bed	
LAHF	7	10	1	7	8	0	33
RtB		16	4		16	4	40
Total	7	26	5	7	24	4	73

19. To date HGL has procured and managed the purchase of 10 properties for the HRA, with the remaining 28 properties all under offer.

20. The Council is focussed on purchasing houses and flats where the Council holds the freehold. Properties not meeting these requirements are subsequently purchased by HGL, if financially viable. Since April 24 HGL has purchased 6 properties to be held within the company.
21. In line with the Council's Allocation Policy, HGL also continues to progress the purchase of properties in the North of England (M62 corridor). HGL has identified a company to assist with the property sourcing, purchasing and renovating process and anticipates purchasing 28 properties around the Liverpool area in the next 6 months.
22. HGL recognises the importance of good quality stock and the need for regular investment. As such a stock condition survey has been completed, which will be used to develop a capital works programme. HGL has budgeted for major works to extend the life of assets and as the capital works programme develops this will more accurately inform budgeting.
23. HGL owns two mid-rise blocks of flats: Brickfield and Greenway House. HGL is investing in both blocks via major works projects. Work is about to complete at Brickfield House improving the fire safety of the building. A professional team is currently being procured for Greenway House to complete the complex major works required to remediate the roof and improve fire safety.
24. **Strategic Objective 4: Review HGL's operating model to ensure that residents in the most need are prioritised and the number of residents who benefit from HGL's stable, affordable accommodation, are maximised.**
25. The Council continues to have sole nomination rights to HGL's portfolio. This enables the Council to place families in suitable accommodation rather than expensive and often unsuitable, temporary accommodation.
26. It is recognised that family circumstances change over time and HGL is collaborating with the Council to recruit a "Move On" officer who will assist families who are overcrowding or under occupying, to find their own alternative accommodation.
27. **Strategic Objective 5: Ensure effective governance through a board that adopts best practice in governance arrangements and ensuring the retention and renewal of Board members as required.**
28. HGL recognises that good company governance involves regular reviews of skills and processes. As such HGL will be undertaking a Director skills audit to ensure the company has the correct skill set to drive the strategic direction.
29. HGL has two independent, non-executive board Directors who provide excellent challenge and support to the company. Both Directors are coming towards the end of their tenure and as such HGL will be creating a succession plan to ensure effective leadership.

30. **Strategic Objective 6: Support the Council's need for specialist accommodation by developing innovative housing solutions.**

31. HGL supports the Council to provide suitable accommodation for some of Enfield's most vulnerable residents via several different schemes. HGL routinely works with the Disabled Facility Grant (DFG) team to adapt properties for service users with physical disabilities. To date HGL has 28 properties adapted via a DFG.

32. Additionally, HGL has purchased and redeveloped 4 properties to provide bespoke homes for service users with complex physical and mental disabilities. Each property requires full internal configuration and an average timescales of 1 year.

33. HGL is also working with the Council to develop a project to provide housing for care leavers, Stepping Stones. This is a challenging project due to the size and specific property requirements.

34. **Financial Position**

35. HGL remains in a good financial position having received an unqualified audit for 2023/24.

Revenue position

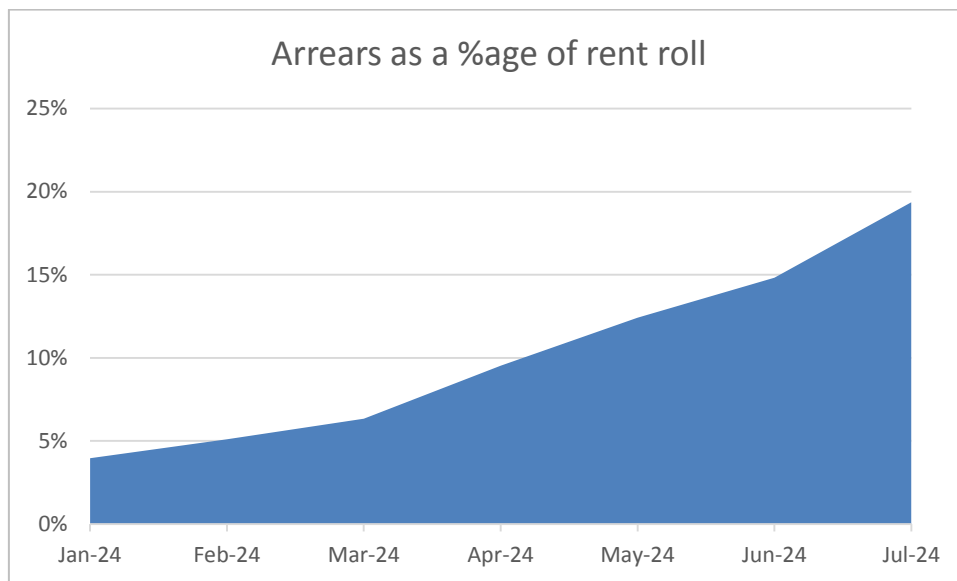
36. HGL's revenue position is presented in the table below:

	2023/24 final outturn position	2024/25 budget	2024/25 year to Aug 24
	£000	£000	£000
Profit before tax & fair value adjustments	540	1,762	1,223
Cash position	755	2,069	1,929

37. At August 2024 HGL is showing a profit of £1.2m, 16% ahead of budget. This is largely due to reduced spending on surveys. As mentioned previously HGL is focusing on purchasing properties on behalf of the HRA and therefore only purchasing properties via the company if the HRA has declined the properties.

38. The Enfield Let (EL) operating arm of HGL, which includes the temporary accommodation stock transfer, broke even by means of the nominations fee. The nominations fee continues to be driven predominantly by the bad debt provision and lease premium payable to landlords. Therefore, any improvement in the income collection will reduce the level of nominations fee required.

39. Consolidated gross turnover is £16m year to date (HGL £5m; EL £11m). This is 10% behind budget due to the pause in the temporary accommodation transfer scheme since late June.
40. The consolidated lease premium (lease fees payable to landlords) is £11m at August 2024, largely in line with budget.
41. Cumulative bad debt provision is £2.8m (HGL £0.6m; EL £2.2m) at August 2024. This is derived from total arrears of £7.6m (HGL £2.1m; EL £5.5m). It should be noted that these arrears are attributable to the lifespan of the company, the arrears relating to the market rent increase specifically are ~£981k and arrears relating to the temporary accommodation stock transfer are ~£4m.



42. These arrears have a direct impact on HGL's cashflow which is being closely monitored. Cash flow management is being prioritised as it is a key risk to financial health. This is monitored on a weekly basis with operational meetings taking place with key stakeholders from both HGL and LBE. Also, the bad debt and impact on cash flow is reported to Finance Committee on a monthly basis.
43. It should be noted that the arrears value drives the bad debt provision subsequently impacting on the profit. A review of bad debt provision calculation is underway to ensure that a prudent estimate is reflected in the profit and loss. Any deterioration in income collection would subsequently negatively impact future profits.

Dividends

44. HGL's projected profits in 2024/25 could be used to pay a dividend to its shareholders, if the HGL board decides that it is in the best interest of the company and its stakeholders.

45. In considering an approach to making dividend payments the HGL Board has developed a financial framework to ensure a sustainable financial position.
46. This framework includes:
- (i) Holding a desirable (usable) reserve level, based on total risk factors of £1.3m and
 - (ii) Maintaining a minimum cash balance, at the same level, £1.3m for 2024/25
47. There are several factors which will impact the company's ability to pay a dividend including the arrears position and nominations fee. HGL and the Council will work collaboratively to minimise the impact of these factors.

Capital expenditure.

48. HGL has a capital programme agreed by the Shareholder as detailed below.

	2024/25	2025/26	2026/27	Total	Funded by Borrowing
	£m	£m	£m	£m	£m
Capital Budget	29.4	35.9	17.0	82.3	82.3
Actuals at Aug 24	3.4	0.0	0.0	0.0	3.4

49. The Council continues to keep the purchasing programmes under review and every property in the pipeline will be subject to a review as to whether it is most efficient to finance it via HRA (for temporary accommodation) or HGL (for Private Rental Sector properties and/or TA). This is why the actual capital expenditure for HGL differs from the plans projected in the Business Plan.

Borrowing

50. The Council provides all of HGL's loans, the current loan profile is detailed below:

01.08.2024	Start Date	End Date	Interest Rates	Amount Outstanding
PWLB (Refinanced) 2020	01/04/2020	01/04/2095	2.50%	£115,594,767
Long-term Loan 2020.21	31/03/2021	31/03/2071	2.08%	£4,534,066
Short-term Loan 2021.22	01/04/2023	31/03/2025 (rolled over on	6.25%	£6,000,000

		temporary basis)		
Bridging loan	08/02/2024	31/03/25	6.25%	£6,500,000
Long-term Loan 2024.25	05/07/2024	04/07/2037	4.94%	£1,000,000
Long-term Loan 2024.25	05/07/2024	04/07/2031	4.94%	£4,000,000
Total				£137,628,835

51. HGL continues to meet all loan obligations in a timely manner.

Relevance to Council Plans and Strategies

52. HGL was established in 2014 to provide LBE with good quality housing for its residents. The Company's mission reflects its wider role and critical contribution to the Council's strategic priority, more and better homes.

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Appendices

N/A

Background Papers

Housing Gateway Business Plan 2024 - 25

Departmental reference number, if relevant:

HOUSING & REGENERATION SCRUTINY PANEL DRAFT WORK PROGRAMME 2024/25

Date of meeting	Topic	Lead Officer/ Report Author	Lead Members	Executive Director/ Director	Scope
15 JULY 2024	Work Planning	Claire Johnson	Cllr Mahmut Aksanoglu - Chair	Terry Osborne	To agree and set the Work Programme 2024/25
21 OCT 2024	<ul style="list-style-type: none"> - Update on the Enfield Local Plan - Planning & Building Control services performance - Housing Gateway Ltd 	<p>May Hope</p> <p>Brett Leahy</p> <p>Ravi Lakhani/Kayt Wilson</p>	<p>Cllr Susan Erbil</p> <p>Cllr Susan Erbil</p> <p>Cllr Tim Leaver</p>	<p>Brett Leahy</p> <p>Perry Scott</p> <p>Joanne Drew</p>	<p>Further update on progress and timelines / final part of its consultation process.</p> <p>Further update on backlogs and improvements.</p> <p>Progress of the company in achieving its objectives.</p>
10 DEC 2024	<ul style="list-style-type: none"> - Homelessness, Temporary Accommodation and Housing Allocations and Placement Policy (in depth) 	Richard Sorensen, Neil Wightman	Cllr Ayten Guzel	Joanne Drew	Update on allocations and placement policy. Review of the Homelessness service and new approach. Impact of housing demand.
4 FEB 2025	<ul style="list-style-type: none"> - Update on Meridian Water Development 	Penny Halliday	Leader	Penny Halliday	Further update on progress.

	- Housing Delivery, incl. Joyce & Snells and other estate regeneration, and GLA requirements	Aneesh Maini Dermot Whelan	Cllr Ayten Guzel	Joanne Drew	Progress with Affordable Housing Programme delivery. Management of estates regeneration / existing tenants
24 MARCH 2025	- Council Housing Repairs and Maintenance	Andrew Cotton	Cllr Ayten Guzel	Joanne Drew	Performance on repairs, maintenance, major works and communication with tenants.
	- Social Housing Regulator Inspection	Neil Wightman	Cllr Ayten Guzel	Joanne Drew	Review of preparedness for RSH inspection.
	- Enfield's Night-time Economy	Brett Leahy	Cllr Susan Erbil	Joanne Drew	How is the night-time economy being boosted / creating assets and attracting regeneration. Changes over the last 10-20 years. Licensing policies' impact. Comparison with other boroughs.
OPTIONAL ADDITIONAL MEETING IF REQUIRED (TBA)					