



London Borough of Enfield

Title of Report:	OPE - New Southgate GLA Land for council housing fund
Report to:	Joanne Drew - Director of Housing and Regeneration
Cabinet Member:	Leader of the Council, Cllr Nesil Caliskan
Directors:	Joanne Drew - Director of Housing and Regeneration
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Ward(s) affected:	New Southgate
Key Decision Number	KD 5691
Classification:	Part 1

Purpose of Report

1. This report seeks authority to accept revenue funding from the GLA under their Land for Council Homes programme, that has been awarded to Enfield. The funding is to support the preparation of feasibility studies, delivery of a design code and small sites supplementary document for New Southgate. Enfield will be the lead partner working with Barnet Council to deliver the agreed outputs within the timescales required by the GLA.

Recommendations

- I. To accept the award of grant up to £670k and entering into a Grant Funding Agreement with the GLA.
- II. To approve expenditure related to the delivery of the project including commissioning consultants for the period 2023/2024 to 2024/2025.
- III. To note the funding will contribute to savings in the Housing and Regeneration and Planning departments.

Background and Options

2. Barnet and Enfield Council established the One Public Estate partnership in 2020 to work collaboratively on public land release for housing. Jointly working with Barnet, the Council undertook an exercise in 2022 related to the New Southgate growth area, commissioning external consultants to assess and identify potential for housing supply across the public sector asset and land holdings.
3. This review was completed in December 2022 and outlined the potential scale of growth for New Southgate, identifying key priorities for ensuring good growth in line with the joint commitment of both boroughs to unlock the placemaking potential of the area. The review provided an initial high-level assessment of transformative principles for the area considering a long-term vision for regeneration and identifying short term opportunities for early investment. The partnership aims to build on this work going forward to address strategic matters relating to housing growth, infrastructure provision and place-making around the New Southgate area, where both authorities have identified the need to work together.
4. A joint bid was made to the GLA under the GLA's Land for Council Housing Revenue fund to enable to build on the findings of that Report. The bid focused on commissioning consultants to undertake a feasibility study up to RIBA stage 1 of identified sites in New Southgate. The identified site ownership includes both Barnet and Enfield Councils, and will require other stakeholder engagement with Network Rail, Registered providers, private organisations, and other public sector organisations such as TFL. The study will explore a wide range of volumetric and programmatic options that would enhance these sites for the delivery of affordable housing. The outcomes will provide a strong justification for an Outline Business Case and the development of a pipeline of developable land in New Southgate for the delivery of affordable housing.
5. This funding awarded to Enfield will support the following roles and work:

		Spend Forecast 2023/2024	Spend Forecast 2024/2025	GF/HRA
Enfield Project Management including cost consultancy	£90000	£60,000	£30,000	HRA
Enfield Architects- site assessments, capacity, options development, architecture	£361,801	£120,000	£241,801	GF
Urban Design- Planning input	£46,787	£46,787	£0	GF
Enfield Plan Making- Policy Input	£21,897	£21,897	£0	GF
Enfield lead commission - other advisors /	£149,515	£74,758	£74,758	External

6. The Council will enter into a Funding Agreement which will enable the grant to be transferred to the Council.

Preferred Option and Reasons for Preferred Option

7. The preferred option is to accept the grant as it creates an opportunity to further the New Southgate vision, achieve savings against costs and extend the partnership. The Barnet and Enfield partnership already has a strong track record in bringing different teams, delivery partners and wider stakeholders together to work on a range of housing initiatives. Specifically, the Barnet and Enfield Partnership meets every quarter, and these meetings are attended by wider stakeholders including representatives from the TfL, GLA, NHS estates, Network Rail, and also internal colleagues in both councils from functions ranging from estates to infrastructure delivery, schools, housing, Town Centres and regeneration.
8. The knowledge, capabilities, and skills of both councils' inhouse staff in developing and delivering housing and regeneration schemes would be improved by being involved in these projects.

Relevance to Council Plans and Strategies

9. The objectives of this project will be achieved by taking into consideration the relevant policy planning and strategic policy documents in the area and consulting with stakeholders such as the GLA (Greater London Authority), TfL (Transport for London) and the LB Haringey, in addition to LB Barnet and LB Enfield.
10. The project objectives will fulfil a range of policy within the London Plan, The Regulation 19 Draft Barnet Local Plan and The Regulation 18 Draft Enfield Local Plan in relation to sustainable placemaking, high quality affordable housing provision and good, strategic housing growth to meet local need.

Financial Implications

Summary

11. This report is requesting approval to:
 - a. approve a revenue budget of £670k for feasibility studies, delivery of a design code and small sites supplementary document for New Southgate (Ladderswood Project)
 - b. enter into a Grant Funding Agreement with the GLA and Barnet Council and accept grant funding of £670k to support revenue expenditure

Revenue budget

12. This report seeks approval to establish a budget of £670k to support the feasibility studies for developing a business case of pipeline developable land in the New Southgate area for delivery of social housing. This revenue budget will be fully funded by the GLA's OPE grant.

13. The revenue expenditure will be incurred during 2023-24 and 2024-25, with the grant being paid as the spend is incurred:

	2023-24	2024-25	Total
Additional Expenditure	323,441	346,559	670,000
Grant	(323,441)	(346,559)	(670,000)
Net (Saving)	0	0	0

14. This budget will be included within the HRA rent setting report.

Capital budget impact

15. There will be no capital impact.

Borrowing Impact

16. There will be no borrowing impact.

Taxation

17. The grant is outside the scope of VAT and applicable input tax recoverable through normal mechanisms.

Key Grant conditions

18. Terms of the grant requires expenditure to be on eligible works and properties, set out in the criteria of the grant agreement.

19. Eligible expenditure funded by the grant must be spent or committed by 31st March 2025. It has been assumed approval of this decision constitutes commitment of the grant

20. Breach of the grant conditions set out in the grant agreement, will result in some or all of the grant to be repaid.

Financial Risks

21. Any expenditure incurred above the cost of the grant will be a cost to the HRA.

Legal Implications

22. The Council, having made a funding bid to the Greater London Authority (GLA) now seeks to secure a grant allocation pursuant to section 31 of the Local Government Act 2003 for council housing revenue (GLA Grant).The

Council has an obligation to obtain the Best Value as set out under section 3 of the Local Government Act, 1999. Section 3 (1) of the 1999 Act provides that a best value authority makes arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. The revised Best value Statutory Guidance issued in 2015 provides that under the duty of Best Value, authorities should consider overall value including economic, environmental and social value when reviewing service provision.

23. The Council has a general power of competence under section 1(1) of the Localism Act 2011 to do anything that individuals generally may do provided it is not prohibited by legislation and subject to Public Law principles. There is no express prohibition, restriction or limitation contained in a statute against use of the power in the way anticipated in this report. As provided under section 1(4), the conferred powers (subject to sections 2 to 4), to do it in any way whatever include:
 - a. power to do it anywhere in the United Kingdom or elsewhere,
 - b. power to do it for a commercial purpose or otherwise for a charge, or without charge, and
 - c. power to do it for, or otherwise than for, the benefit of the authority, its area or persons resident or present in its area.
24. The Council also has the power pursuant to section 111 (1) of the Local Government Act, 1972 (subject to the provisions of the Act or any other Act passed before or after) 'to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions'. It may exercise its general power of competence for its own purpose, commercial purpose or for the benefit of others.
25. The Council must also have due regard to the public sector equality duty under section 149 of the Equality Act 2010, in the exercise of its functions – on the need to eliminate unlawful discrimination, harassment, victimisation and any conduct prohibited by the Equality Act; and should take this equality duty into account when assessing specific proposals for the GLA Grant.
26. Public law principles will apply to the decision made by the Council. The Council is under a general duty to act reasonably and fairly and show that its decisions are made after having given due and proper consideration to all relevant factors including an implied duty to consult where the nature and impact of a decision may mean that fairness will require a consultation. The more serious the impact, the more likely that fairness requires the involvement of affected bodies.
27. The procurement of works and professional services should be carried out in compliance with the Council's Contract Procedure Rules (CPR), and where applicable, the Public Contracts Regulations 2015 and the Council's obligations relating to the obtaining of best value under the Local

Government (Best Value Principles) Act (1999). It should be noted that the Procurement Act 2023 ('the Act') recently received royal assent and that the Act is due to come into force in October 2024. The Act shall replace the current regime of UK based procurement law and as such, officers must ensure that they continue to seek legal advice when required in this area so that the most up to date legal position is understood and complied with.

28. When commissioning public services, the Public Services (Social Value) Act 2012 requires the Council to think about how it can also secure wider social, economic, and environmental benefits.
29. The Council will need to ensure that all funding received under the GLA Grant is managed and utilised in accordance with subsidy control law and in accordance with the terms and conditions of the grant agreement.
30. The Council must ensure that all guidance available to it regarding the grant and all grant conditions are adhered to at all times and it must further ensure that all legal agreements entered into in consequence of the approval of the proposals set out in this report must be approved by Legal Services on behalf of the Director of Law and Governance and must be executed under seal.
31. The Council using powers under section 120 of the Local Government Act 1972 has powers to acquire land by agreement for the purposes of any of its functions. Equally, the Council as a local housing authority may acquire land as a site for the erection of housing using powers contained in section 17 of the Housing Act 1985.
32. An application for any form of development would need to be submitted to the Local Planning Authority pursuant to the Town and Country Planning Act 1990.

Equalities Implications

33. Both London Boroughs of Barnet and Enfield have robust Equity, Diversity, and Inclusion policies. At a strategic level, the delivery of high quality, secure, affordable housing will help meet the acute and growing demand for genuinely affordable homes and particularly disadvantaged communities who are over-represented in this cohort in both boroughs. Thereby achieving the EDI outcomes outlined in the Barnet Plan and Growth Strategy and the Fairer Enfield – Equality, Diversity, and Inclusion Policy

34. Property Implications

There are no corporate property implications arising from this report. Implications may follow in the future when recommendations are made from the feasibility work.

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Appendices None

Background Papers None

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