

MEETING TITLE AND DATE:

Cabinet
11th March 2015

REPORT OF:

Director of Health, Housing & Adult
 Social Care
 Director of Finance, Resources and
 Customer Services.

Agenda – Part 1:	Item: 10
Subject: Small Housing Sites: Further Sites Report Wards: Enfield Lock and Highlands Key Decision No: KD 4007	
Cabinet Member consulted: Councillor Oykenner	

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1. EXECUTIVE SUMMARY

- 1.1 In September 2014, Cabinet authorised the inclusion of the former Ordnance Road (former Public House & Kettering Hall) site as part of Small Housing Sites (Phase 1) project, for which Kier are already appointed as the contractor, and a budget for architects to progress plans.
- 1.2 The Council has since identified three additional garage sites in the Highlands Ward which can also be brought into the Phase 1 project.
- 1.3 The four sites can collectively deliver circa 33 new houses, including a high proportion of family homes, and approximately 55% affordable housing.

2. RECOMMENDATIONS

It is recommended that Cabinet;

- 2.1 Note the design options considered for the Ordnance Road (former pub and Kettering Hall) site, the preferred option that is being taken forward as part of a planning application, and the consultation process that has been undertaken with key stakeholders as explained in paragraphs 3.24 to 3.27.
- 2.2 Note the Perry Mead, Padstow Road and Hedge Hill sites (Red Line Plans attached at Appendix 2, 3 and 4), information on design proposals and planned consultation process with key stakeholders in paragraphs 3.35 to 3.35, and authorise the Council to progress and submit planning applications for these sites.
- 2.3 Note the programme approach to funding the development of the Ordnance Road site in conjunction with the development of three garage sites in Highlands, as explained in paragraph 3.37 to 3.40.

2. RECOMMENDATIONS (continued)

- 2.4 Authorise, in accordance with section 122 of the Local Government Act 1972 the appropriation of the sites bound by a red line in Appendix 1, 2, 3, and 4 from their present holding purpose to planning purposes and in particular the purposes of section 237 of the Town and Country Planning Act 1990.
- 2.5 Approve an outline budget to fund the development of the four sites as set out in Table 1 of the Part 2 Report. It is also recommended that Cabinet delegate authority to the Director of Health, Housing and Adult Social Care and the Director of Finance, Resources and Customer Services to authorise the final scheme budget required to enable and complete construction, when the detailed design and cost estimates have been completed after planning approval.

3. BACKGROUND

STRATEGIC CONTEXT

- 3.1 Enfield Council is delivering an ambitious programme of housing development and estate renewal across the borough, the principles of which are set out in the Housing Development Framework 2014-19 (KD3369).
- 3.2 There are a number of social and economic drivers for new housing development in the borough, and contributing to the supply of quality new homes is becoming increasingly important for the Council. Increasing housing supply is an important priority not only locally but regionally and nationally.
- 3.3 The Council is taking a proactive role and has set up a 'Special Purpose Vehicle', known as *Enfield Innovations Limited* to develop, own and manage private rented properties on new build developments.
- 3.4 One of the key economic drivers for the Council corporately is the expenditure of Right to Buy receipts which it receives each time an existing Council property is purchased by a Council tenant as part of the Right to Buy scheme. Unless the Council spends these Right to Buy receipts on new affordable housing as part of the Government's RTB One for One Replacement Scheme, they must be returned to central government with interest.
- 3.5 Another key economic driver for the Council is the escalating numbers of temporary accommodation households that the Council has a duty to house. This strengthens the case to build new social housing to reduce the revenue costs to the Council.

SMALL HOUSING SITES

- 3.6 The Council is already delivering new homes on smaller sites by packaging them together to achieve economies of scale and improve viability, and it is looking to continue using this approach.

- 3.7 The Small Housing Sites (Phase 1) project, which is now underway with construction on site, has used an innovative funding model to deliver new Council housing.
- 3.8 Planning consent has been secured for 94 homes on seven sites in Town, Highlands, Chase and Turkey Street wards. The project to date includes a split of 60% private rented homes and 40% affordable homes, including Council owned social rented homes and shared ownership homes, and a high proportion of family housing.
- 3.9 Kier Project Investments, the Council's contracting partner, is sub-contracting the construction to Climate Energy Homes who specialise in a building method that seeks to maximise off-site construction of components resulting in less time on-site construction and as a consequence minimising traffic movements and disruption to adjoining occupiers.
- 3.10 The benefit of the funding model for Small Housing Sites (Phase 1) project is that by taking a long term approach, the Council ultimately retains its land and built assets and makes a return on its investment, rather than disposing of assets to a developer for a short term capital receipt.
- 3.11 In September 2014, Cabinet authorised a budget for the Council to progress feasibility for the next phase of small sites with the intention of bringing forward further packages of sites for new housing development as part of a rolling programme. Architects are currently working up proposals and a report is expected to follow later this year with a recommended development strategy and funding model for these schemes.
- 3.12 At the same meeting, Cabinet also authorised the inclusion of the Ordnance Road (former Public House & Kettering Hall) site as part of Small Housing Sites (Phase 1) project, and a budget for architects to progress plans.
- 3.13 This report sets out an approach for bringing forward four sites for development as part of a variation to the existing Development Agreement between the Council and Kier Project Investments.
- 3.14 It is proposed that the Council leads on obtaining planning consent for each of the sites.

ORDNANCE ROAD: KETTERING HALL & FORMER PUB SITE

- 3.15 The land at Kettering Hall and former Public House on Ordnance Road, EN3 referred to as the "Ordnance Road Site" is a circa 0.2 hectare site held for housing purposes.
- 3.16 The Ordnance Road Site has been earmarked for a new residential led development, and the intention has been for some time that the site would be developed on completion of the new Ordnance Unity Centre, so that Kettering Hall, and a temporary library facility on the former pub part of the site could continue to operate in the interim. The Ordnance Unity Centre, located on the corner of Hertford Road and Ordnance Road, just over 100m from the site, provides a community hall, health centre, dentist practice and library and opened officially in December 2014.

Scheme Design:

- 3.17 As part of a commission for undertaking design feasibility for a large number of sites, the Council instructed Peter Barber Architects to design a scheme for the Ordnance Road Site.
- 3.18 The initial preferred option included 20 houses, with thirteen 3-bed townhouses, six 2-bed courtyard houses, and a single 1-bed courtyard house. However, on review of more detailed RIBA Stage 2 plans, pre-application feedback from Development Management raised concerns that the proposal was too urban for its context, that the building line was too hard, and that to accommodate refuse and cycle storage requirements and to alleviate general pressure on amenity space and servicing requirements, two units should be lost. This would result in a scheme option for all houses being able to achieve 18 homes.
- 3.19 The architects revised the scheme based on this feedback to provide 18 houses, and the bedroom mix for this option accommodates eleven 3-bed townhouses, four 2-bed courtyard houses and three 1-bed courtyard houses. This revised scheme design has since received more positive feedback from the Development Management officer. Maintaining a 20-unit scheme, while possible to stay just within the London Plan density threshold, would require a higher level of parking which might not be feasible, and such a scheme would present a greater risk at planning and could result in costly redesign and delays if the application had to be re-submitted.
- 3.20 Senior officers requested that a flatted option was explored by the architects to see if a greater number of units can be achieved. The architects initially advised that a range between 19 and 21 flatted units might be acceptable. A further meeting between Development Management and the architects has given the architects an understanding of the number of units that might be acceptable on the site for a flatted scheme with consideration of a number of factors, and concerns that were raised in the Pre Application meeting. The architects did an exercise and since advised that 18 flatted units would be achievable on the site, based on acceptable density levels, height, massing and parking requirements.
- 3.21 A number of options including the housing option and flatted option, both with and without community spaces were presented at Corporate Asset Strategy Management Group and those present have agreed that the scheme with 18 houses would deliver the greatest overall benefit.
- 3.22 The preferred option for 18 houses on the site accommodates the following bedroom mix and number of dwellings, including a high proportion of 3-bedroom family townhouses (60%), and also smaller 1-bed and 2-bed courtyard houses:
- 3 x 1bed (2per)
 - 4 x 2bed (3per)
 - 11 x 3bed (5per)
- 18 dwellings (73 persons)**
- 3.23 The proposed scheme includes a new mews street linking Rotherfield Road and Beaconsfield Road to allow both vehicular and pedestrian access, and parking for the development. This new mews is likely to have secure access, and will incorporate an alleyway which has historically attracted fly tipping and antisocial

behaviour. The intention is to design out loosely defined space that is subject to misuse, and create a more secure environment and relationship between the scheme and the surrounding street scene.

Scheme Consultation:

- 3.24 Senior officers and Members including Ward Councillors have been consulted, and they are supportive of the preferred scheme option for 18 houses.
- 3.25 The Council and the architects consulted local stakeholders and residents at the Enfield Lock Ward Forum on February 17th which was held in the community hall at the new Ordnance Unity Centre. The architects presented the initial scheme proposal for 18 houses with information boards and a 3D model. Between forty and fifty people attended the event, and a number of comments were collated. Those in attendance were generally supportive of a residential scheme on the site, and welcomed new Council homes. The notable concern from residents was around the lack of parking in the area generally, and ensuring that parking provision on the new scheme is sufficient.
- 3.26 The Council will liaise with the two adjacent property owners to the south of the site in relation to granting new access rights to the new mews on the proposed scheme, which will incorporate the existing alleyway, while addressing any other concerns they may have with the proposed scheme.
- 3.27 The architects are now working to progress the detailed design of the preferred scheme option and the intention is to submit a planning application in the spring.

PADSTOW ROAD, PERRY MEAD, AND HEDGE HILL GARAGE SITES

- 3.28 Cabinet authorised officers to appoint architects to progress design feasibility for a large number of potential housing sites across the borough (KD3920), some of which were identified as part of a review of garage stock in the borough.
- 3.29 Three sites which include garage blocks on HRA land, have been identified within close proximity in the Highlands ward;
- Padstow Road Garages (1-28) and land
 - Perry Mead Garages (1-8) and land
 - Hedge Hill Garages (1-16) and land
- 3.30 The three sites are all close to the Holtwites Hill Garages Site, which is already part of the Development Agreement between the Council and Kier Project Investments to build 8 new homes.
- 3.31 Collectively, the large majority of garages on these sites are vacant (73%), and anecdotally they are misused and attract anti-social behaviour.
- 3.32 The Padstow Road Garages are situated in four locations around the cul-de-sac and spur, and over half of them are vacant. Parking surveys have demonstrated that there is on-street capacity to absorb parking from both new development

and any occupied garages. There is also capacity to design in new parking spaces into underused 'greensward' land around the edge of the highway to mitigate any concerns around the level of parking provision. This would present an opportunity to provide new landscaping and planting to improve the street scene.

- 3.33 Only two of the eight garages on the Perry Mead site are occupied and parking surveys have demonstrated that there is sufficient capacity on the surrounding streets for any prospective residents on a proposed development, and for any parked vehicles from the two currently occupied garages.
- 3.34 All sixteen of the Hedge Hill garages are vacant and access to the site has been boarded up for a number of years. The site is therefore completely inaccessible and unused. The scheme design for this site is the basis that on-plot parking spaces will be provided.

Scheme Design and consultation

- 3.35 The architects have undertaken design capacity work on the three garage sites which indicates that fifteen houses can be built; eight at Perry Mead, three at Hedge Hill and at least four at Padstow Road. These numbers are only indicative at this stage and are subject to Pre-Application advice and further detailed design work, which could result in the unit numbers being revised.
- 3.36 Consultation with local residents is scheduled in the design programme and will be held at an appropriate stage in the coming weeks so that existing residents have a chance to comment on and inform the proposals.

FINANCIAL APPRAISALS AND FUNDING

- 3.37 Financial appraisals have been undertaken which demonstrate that the Council can achieve viable housing developments across the four sites while maximising affordable housing and the expenditure of Right to Buy receipts.
- 3.38 Using a programme approach between the four sites can enable the Council to build more affordable housing (55% across the four sites), and a 100% affordable housing scheme on the Ordnance Road site, cross subsidised by private rented homes on the Perry Mead, Padstow Road and Hedge Hill sites.
- 3.39 The recommended option for development funding would see the Council finance the development of the sites and retain ownership of the assets in the long term.
- 3.40 The details of the financial appraisals contain commercially sensitive information and are therefore included in Part 2 of this report.

APPROPRIATION OF THE LAND FOR PLANNING PURPOSES

- 3.41 The appropriation of the four sites for planning purposes is a necessary step in facilitating their development. This report recommends that the following four sites are appropriated for planning purposes:
- Land at former Ordnance Road Public House & Kettering Hall, EN3 6AQ.

- Padstow Road Garages (1-28) and Land, EN2 8BU.
- Perry Mead Garages (1-8) and Land, EN2 8BS.
- Hedge Hill Garages (1-16) and Land, EN2 8RT.

3.42 Local authorities may appropriate land in their ownership for planning purposes. If land is appropriated for planning purposes then the power under section 237 of the 1990 Act to override easements and other rights, for example, rights of light and restrictive covenants can be used when developing that land. That power may be used either by the local authority or by a person deriving title to the land in question from the local authority, e.g. a private developer who has entered into an agreement to develop the land.

3.43 Any rights overridden by section 237 are automatically translated into a right to claim compensation for resulting damages. This means that the holders of the original rights no longer have the ability to seek an injunction against the development for infringement of their rights. In the absence of converting the third party rights to compensatory claims the appointed developer would not commence construction works until the risk of an injunction had been resolved (by approving this report).

4. ALTERNATIVE OPTIONS CONSIDERED

Community use, as part of a residential led scheme on the Ordnance Road Site:

4.1 Variants for both housing and flatted options could include a 200 m² community space on the north-east corner of the site, but this would limit the residential part of either scheme to 15 homes. Based on technical advice from transport engineering consultants Peter Brett Associates, that at least three parking spaces would need to be provided on the site for a 200 m² community space, the architects have advised that this would result in a loss of three homes.

4.2 Based on the reduced number of homes, this option would adversely impact viability and given the size of the new Ordnance Unity Centre nearby, fully residential use is considered most appropriate for this site.

Flats on the Ordnance Road Site:

4.3 A flatted option was considered for the site but the architects advised that 18 units would be achievable based on planning feedback on massing/density and a design exercise. It is considered that houses would be more beneficial than flats for a number of reasons, including but not limited to the following;

- Houses would provide more liveable space.
- Houses would provide a greater amount of private amenity space.
- Houses would have better aspect.
- Houses would be better at activating the street frontage than flats.

Not developing the garage sites:

4.4 Generally, a high number of these garages are void, which are both an eyesore in these neighbourhoods, and anecdotally attract misuse and anti-social behaviour. The Council is under pressure to increase housing supply and make

more efficient use of its land and built assets given housing market pressures in and associated impacts the borough. These underperforming assets are ideally suited to redevelopment for new housing, for which a compelling case exists.

5. REASONS FOR RECOMMENDATIONS

- 5.1 This report recommends using a programme approach to develop viable new housing schemes in Enfield, which can collectively provide circa 33 new homes, a high proportion of family homes and 55% affordable housing. The proposed schemes will provide houses, including more traditional townhouses and more innovative courtyard houses which provide generous space and better accommodation than flats.
- 5.2 The former pub and Kettering Hall site presents an opportunity to build 18 high quality new houses, which in conjunction with the new Ordnance Unity Centre can significantly enhance the local area.
- 5.3 Collectively, a large majority of the garages at Padstow, Perry Mead and Hedge Hill are vacant (73%), and anecdotally they are misused, and attract anti-social behaviour. Redevelopment of these sites presents an opportunity to improve the aesthetic appearance, security, perception of safety and surveillance in the immediate neighbourhoods and bring under used land back into more beneficial use for Enfield residents.
- 5.4 Appropriation of these sites for planning purposes is a necessary step in the development process to override any third party rights.

6. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS

6.1 Financial Implications

- 6.1.1 The Financial Implications are included in Part 2 of this report.

6.2 Legal Implications

- 6.2.1 The Localism Act 2011 gives the Council a general power of competence to do anything which an individual could generally do.
- 6.2.2 Under section 8 of the Housing Act 1985 the Council as local housing authority has a duty to keep under review the provision of housing in its area. Local authorities also have a general fiduciary duty to Council Tax payers and must therefore take whatever is the overall most reasonable and cost effective course of action in order to deliver best value from these sites.
- 6.2.3 Under section 122 of the Local Government Act 1972 the Council may appropriate land from one purpose to another if that land is no longer required for the purposes for which it is held. In this instance the land is currently held for housing purposes but it is now required for development for planning purposes.

6.3 Property Implications

- 6.3.1 The provision of circa 30 additional Housing units on the former Ordnance road site and three additional garage sites in the Highlands ward is supported.
- 6.3.2 The retention and management of the homes on the site long term will result in additional revenue costs to the Council. The Special Purpose Vehicle Enfield Innovations Limited will therefore need to be adequately resourced particularly bearing in mind the more intensive residential management standards needed to support the anticipated Private Rented Sector income model.

7 KEY RISKS

- 7.3 Corporately, a risk is that Right to Buy receipts are not spent within the necessary timescales and the money is then returned to government with interest. Bringing forward the development of these sites will enable the Council to spend Right to Buy receipts within the next two financial years.

8 IMPACT ON COUNCIL PRIORITIES

Fairness for All

- 8.1 New development may have an impact on surrounding residents, particularly in the short term with disruption from construction, and potentially changes to car parking provision. There may also be a loss of communal space or amenity space resulting from proposals.
- 8.2 To mitigate any negative effects as far as possible, the Council and the appointed architects will work with affected residents to find effective design solutions. New development proposals will aim to provide higher quality landscaping, public realm and amenity space for existing residents.

Growth and Sustainability

- 8.3 The project aims to increase housing supply, and to maximise affordable and family housing. The proposed developments will, subject to viability, aim to achieve the tenure and bedroom mix of the Council's Core Strategy.
- 8.4 The project aims to achieve high quality architectural and landscape design which can positively contribute to the built environment of communities. The new homes will achieve a high level of energy efficiency and sustainability.
- 8.5 Achieving the above will contribute to the Council's regeneration objectives, given the fact many of the sites are already in priority areas, or in other deprived areas which are in need of investment.

Strong Communities

- 8.6 The project will see investment into Enfield communities to provide much needed new housing. Local communities will be involved in the process and consulted on design proposals.

9 EQUALITIES IMPACT IMPLICATIONS

- 9.1 An Equalities Impact Assessment has been undertaken for Small Housing Sites (Phase 1). For the Phase 2 project, and all future phase, a full Equalities Impact Assessment will follow.

10 PERFORMANCE MANAGEMENT IMPLICATIONS

- 10.1 There are no performance management implications resulting from this report.

11 PUBLIC HEALTH IMPLICATIONS

- 11.1 There are a number of public health implications arising from new housing development schemes because housing is a major determinant of health.
- 11.2 Across the sites, the new homes will be designed to meet Code for Sustainable Homes Level 4 or equivalent standards. The design of the homes complies with the London Housing Design Guide and with consideration of Lifetime Homes. Across the sites, the new houses will be dual aspect to ensure adequate daylight, and include either private gardens or private courtyard spaces.
- 11.3 The dwellings will be designed to Code For Sustainable Homes level 4 with a 'Fabric First' approach whereby the thermal insulation and air tightness of the external envelope are designed to reduce CO2 with low tech methods first. This will result in lower energy bills for residents. The building standards for these houses will help protect resident's health through reduced expenditure.

Appendices

Appendix 1 – OS Red Line Plan: Land at former Ordnance Road Public House and Kettering Hall, EN3 6AQ.

Appendix 2 - OS Red Line Plan: Padstow Road Garages (1-28) and Land, EN2 8BU.

Appendix 3 - OS Red Line Plan: Perry Mead Garages (1-8) and Land, EN2 8BS.

Appendix 4 - OS Red Line Plan: Hedge Hill Garages (1-16) and Land, EN2 8RT.