

MUNICIPAL YEAR 2016/2017 REPORT NO. 68

MEETING TITLE AND DATE:

CABINET

Tuesday 6th September 2016

REPORT OF:

Director of Regeneration and Environment

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Agenda – Part: 1

Item: 13

Subject: Edmonton Futures – Housing Zone 2

Wards: Edmonton Green, Lower Edmonton & Upper Edmonton

Key Decision No: KD4334

Cabinet Members consulted:

Councillor Alan Sitkin, Councillor Ahmet Oykenner & Councillor Dino Lemonides

1. EXECUTIVE SUMMARY

- 1.1 Following the Council's successful Housing Zone bid for Meridian Water the Council has submitted and has been successful in its application to the Greater London Authority (GLA) for a second Housing Zone in Edmonton to enable the development of 3,200 new homes.
- 1.2 An award valued at £33.45m was agreed in principle, to accelerate delivery of homes in the Edmonton Futures area. This report seeks authority to enter into agreement with the GLA to accept the award, the terms of the agreement are set out in part 2 of this report.

2. RECOMMENDATIONS

It is recommended that Cabinet:

- 2.1 notes the Council's successful Housing Zone designation for Edmonton Futures; and
- 2.2 Delegates authority to the Director of Regeneration and Environment to (i) discuss and seek to agree with GLA the terms of the OBA; and (ii) enter into the OBA in such agreed form.

3. BACKGROUND

- 3.1 London continues to grow, but its success has brought with it a growing population that needs to be housed. This means that we need to build many more new homes right across London, and build them at a much faster rate than has been achieved in the past.
- 3.2 Enfield's population is very much following the London trend. Its current population of 324,000 (ONS, 2015) is projected to exceed 400,000 by 2032 (LBE Local Plan consultation, 2015). To take account of this, a revised target of 798 new homes per year in the period 2015 to 2025 has recently been agreed in the London Plan (2015). These homes will be accommodated on a range of sites across the Borough, but the opportunities to achieve housing delivery at significant scale and pace are in limited supply. This is where Meridian Water comes into play. It is a pivotal regeneration scheme which has the potential to accommodate at least 10,000 new homes itself and include at least 6,000 more homes in its adjacent communities.
- 3.3 The GLA is firmly behind Meridian Water: It is already a designated Housing Zone, the Mayor of London is in vocal support of our plans for the new Meridian Water station (with four trains per hour); and, our recent London Regeneration Fund (LRF) application to develop a creative maker space and artist studios has been recommended for GLA funding.
- 3.4 However, the sheer scale of Meridian Water means its impact needs to be felt in its surrounding areas. This newly awarded Housing Zone 2 designation demonstrates how by extending the housing zone status into neighbouring communities, the GLA and the Council in partnership can help unlock the housing potential and meet the housing needs of an even wider swathe of north London. It is a priority of Meridian Water to extend prosperity into neighbouring deprived wards and an explicit aim of the Meridian Water Regeneration Strategy is to take Edmonton wards out of the top 10% most deprived in the country.
- 3.5 The neighbourhoods that surround Meridian Water are collectively known (for the purpose of this application) as the Edmonton Futures Area. The name has been added to explain the transitional process Edmonton is going through and how we see Edmonton in the future. Figure 1 shows this area surrounding the Meridian Water Housing Zone, and alongside the neighbouring Housing Zones in Tottenham and at Blackhorse Lane in Walthamstow. Further designations will allow an even greater clustering of development activity to the benefit of the sub-region. A wider designation beyond the Meridian Water site boundary will allow Enfield to benefit from the wider strategic impact that Housing Zone status brings – similar to that afforded to Tottenham.

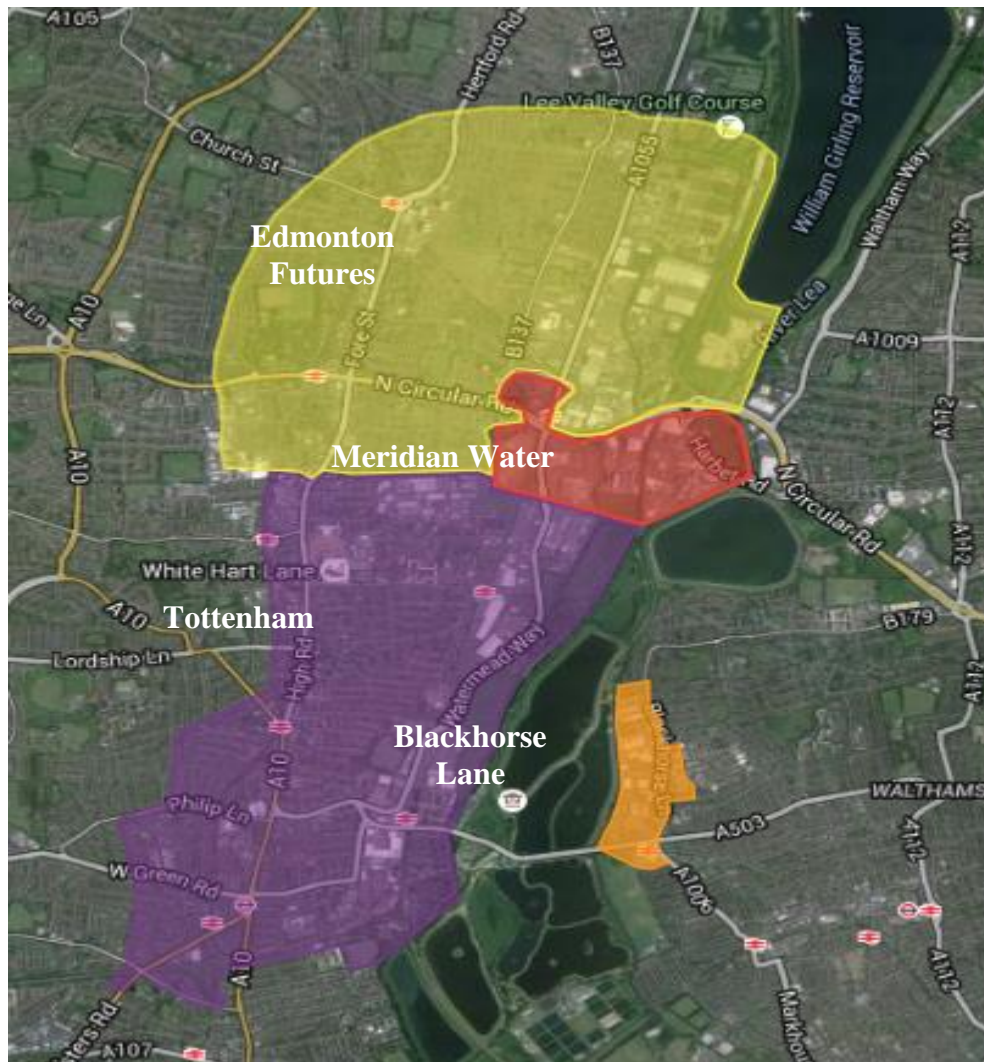


Figure 1 – Upper Lea Valley current and proposed Housing Zones

3.6 Enfield Council was successfully awarded Housing Zone status by the GLA in March 2016. Further work is now underway to support the award and bring forward new homes.

Estate Renewal Programme

3.7 In October 2015, Cabinet approved the Enfield Housing Estate Renewal Programme (Key Decision No.3980). The report refers to a number of sites falling within the Edmonton Futures Housing Zone that will assist the council's wider housing and regeneration ambitions.

3.8 The Estate Renewal and Development Team are already progressing work to prepare the sites that have been shortlisted for redevelopment into deliverable schemes. This list of sites was first referred to in the Part 2 report of KD 3980.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The alternative option would be not to accept the award. However, this option would restrict the Council's ability to bring forward new homes at an accelerated rate.

5. REASONS FOR RECOMMENDATIONS

- 5.1 For the Council to bring forward housing development in the Edmonton Futures area in line with the Council's strategic objectives, it is recommended to Cabinet that the Council seeks to agree and then, subject to agreement of suitable terms, enter into the OBA in order to expedite development opportunities.

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

6.1 Financial Implications

- 6.1.1 Entering into the housing zone contract agreement with the GLA for the loan of £30.25m and the grant of £3.2m does not contractually commit the Council to spending money.
- 6.1.2 Each of the interventions mentioned within the body of the report will be subject to a separate business case and report which will cover the investment required (being funded from the GLA resource), the proceeds of each investment (demonstrating these will be sufficient to repay the GLA loan) and will detail the GLA loan repayment terms which will be agreed at the time. At this point the projects would require approval to add to the capital programme and depending on the value of these would either be Cabinet or full Council decisions.

6.2 Legal Implications

- 6.2.1 The Council has power under s1 of the Localism Act 2011 ("the Act") to do anything that individuals can do, subject to restrictions stated in the Act.
- 6.2.2 The recommendations in this report are in accordance with the s1 competence power under the Act and the Council's constitution.
- 6.2.3 Prior to entering into the OBA the terms of that document, and the commitments imposed on the Council under it, should be clear. The Council should also seek advice, before entering into the OBA, that the arrangements are compliant from a state aid and procurement perspective.
- 6.2.4 The OBA should be entered into only in a form approved by the Assistant Director of Legal and Governance Services.

6.3 Property Implications

6.3.1 The Estate Renewal Programme is an established and central part of the Council's wider housing and regeneration ambitions. The acceleration of housing delivery through the Edmonton Futures initiative, and the GLA loan funding is welcomed. The funding gives greater certainty to programme timing, and supports a proper framework for the overall initiative. In particular, it gives support to the initial outlay and high expenditure, in advance of land receipts, which is essential if the regeneration proposals are to succeed and deliver within the planned timescales.

6.3.2 A further major gain will be the focus of further investment within the 'hinterland' of Meridian Water and a wider spreading of the regeneration benefits that are anticipated. As with Meridian Water, it is important that all aspects of the programme are carried out within a framework which fosters and does not prejudice due diligence safeguards, and the associated Council property procedure rules.

7. KEY RISKS

7.1 Key risks considered are:

7.2 Taking no action could result in development not coming forward in a timely way.

7.3 Taking no action will mean that there is a risk that no new homes, jobs, schools and other supporting community facilities are not forthcoming in the required timescales, creating far greater development pressure elsewhere in the Borough.

7.4. The announcement of the new Mayor of London's manifesto highlights changes that will need to be taken into account as the regeneration of housing estates continue. These include but not limited to;

- The need for resident support on all estate renewal schemes;
- The need to ensure that there is no net loss of affordable housing;
- The need to include upon changes to the Mayor's London Plan, 50% affordable housing in all development schemes.

7.5 The impact of this policy position is currently unknown but it will need to be a key consideration in the deliverability and viability of development schemes as they come forward.

8. IMPACT ON COUNCIL PRIORITIES

8.1 Fairness for All

The successful award of Housing Zone status allows the borough to provide high quality and affordable homes in an area of deprivation.

8.2 Growth and Sustainability

The awarded funding will go towards the ongoing regeneration of Edmonton which will see new homes, new jobs and associated infrastructure to support the community.

8.3 Strong Communities

Continued investment into Edmonton will assist in ensuring that communities play a role in shaping future opportunities. As a result this will lead to greater social cohesion and a stronger community.

9. EQUALITIES IMPACT IMPLICATIONS

- 9.1 It is not considered relevant or proportional at this stage to undertake an equalities impact assessment. Where the need arises when further detail is known, further reports will be scrutinised to understand the equalities impact implications.

10. PERFORMANCE MANAGEMENT IMPLICATIONS

- 10.1 There are no performance management implications for the approval of this report.

11. PUBLIC HEALTH IMPLICATIONS

- 11.1 LBE is responding to the housing crisis in London and thereby helping to mitigate the effects of the housing shortage. Housing is a fundamental health need. Those who are homeless have a life-expectancy approximately 30 years lower than the national average.
- 11.2 The Council design standards will help to both maintain residents' financial resilience and reduce impact on global warming. Design of both housing and neighbourhoods will help to encourage walking and cycling to improve health further.

Background Papers

None