

Enfield Innovations Ltd Business Plan 2018-19

Enfield Innovations Ltd. (EIL) is a limited company wholly owned by Enfield Council. The Council initially established EIL to act as a Special Purpose Vehicle to enable it to deliver the Small Housing Sites 1 development of 94 homes. However, the Council and the Company Directors harbour bigger long-term ambitions for EIL and aim to establish the company as a private development vehicle offering the Council another option to develop high quality market sale or market rent housing within the borough whilst also aiding the delivery of affordable housing wherever possible.

EIL has faced many challenges since its inception but is now able to look forward with renewed optimism. EIL's business plan for 2018-19 details how the company intends to deliver its aims over the next 12 months.

James Rolfe
Managing Director
Enfield Innovations Ltd.

1.0 Executive Summary

- 1.1 Enfield Innovations Ltd. (EIL) was first established in October 2014 and is wholly owned by Enfield Council. EIL was initially formed as a special purpose vehicle (SPV) to facilitate the development of the Small Housing Sites 1 project (SHS1). SHS1 comprises 94 homes, 57 market and 37 affordable, spread across 7 small development sites around the borough.
- 1.2 The company currently owns a leasehold interest in 40 properties ranging in size from 1beds – 4beds. The properties are in construction and are expected to reach practical completion between April and July 2019. Once complete, EIL intends to sell its properties.

2.0 Mission Statement

- 2.1 EIL was established to provide Enfield Council with another vehicle by which to increase the supply of high quality accommodation for market rent or market sale within Enfield. The company also aims to facilitate the delivery of additional social or affordable housing within Enfield.

3.0 Company Objectives

- 3.1 EIL's primary objectives are:
 - To increase the supply of high quality accommodation for market rent or market sale within Enfield.
 - To facilitate the delivery of additional social or affordable housing.

4.0 Company position

4.1 EIL currently owns a leasehold interest in 40 properties, all of which are in construction. The properties EIL owns are described in more detail in Table 1 below.

Table 1

Site	1beds	2beds	3beds	4beds	Total Units
Parsonage Lane	0	4	2	4	10
Holtwhites Hill	0	4	0	0	4
Forty Hill	0	0	3	6	9
Lavender Hill	2	6	0	0	8
Tudor Crescent	0	9	0	0	9
Totals	2	23	5	10	40

4.2 In 2018/19 and the first half of 19/20, EIL’s focus will be on ensuring the 40 units in construction are completed according to the current construction timetable and securing a suitable buyer or suitable buyers for the properties.

4.3 Over the course of the current year, EIL also intends to begin evaluating potential development sites and delivery models with the aim of identifying the company’s next development project.

4.4 EIL’s current debt stands at £12.2m down from a peak of £16.6m. It is expected that the sale of EIL’s properties will enable the company to clear its outstanding debt and will also deliver a small surplus to be reinvested in future projects or returned to the Council as a dividend.

4.5 EIL has faced multiple challenges since its inception due to a major sub-contractor charged with delivering EIL’s first development entering administration in December 2015. The ensuing contractual negotiations caused severe construction delays which put considerable strain on EIL’s original business model.

4.6 However, the successful conclusion of the negotiations with the developer and the appointment of a new contractor has allowed construction of EIL’s remaining properties to proceed at pace.

5.0 Governance and Management Structure

5.1 EIL is a company limited by shares, wholly owned by Enfield Council.

Board

5.2 The Board of Directors provide strategic direction for the company and oversee performance. Two non-executive, independent directors sit on the Board providing additional experience in property and finance as well as commercial acumen. The non-executive directors are also a source of independent scrutiny for the company's decisions and performance.

Board Directors

Executive Director – Mark Bradbury

A chartered surveyor and experienced property professional, Mark has performed numerous Executive roles in both the public and private sectors.

Chair – Sabri Ozaydin

Sabri is an experienced company Director with a background in the clothing manufacturing industry and a qualification in management. Sabri has a keen interest in the London housing market and is committed to delivering improved housing outcomes for Enfield residents. In addition to his role as Chair of EIL, Sabri is also a Labour Councillor for the Turkey Street ward.

Executive Director – Sally Mcternan

As a previous Assistant Director of Community Housing at Enfield Council, Sally brings a strong understanding of the needs of local people to the EIL Board, particularly in the context of welfare reform and the pressures of the volatile London housing market. Sally has over thirty years' experience in the public sector working in a variety of areas across central and local government. Sally is committed to improving public services and strives to promote fairness, independence and housing choices.

Executive Director – Jayne Middleton-Albooye

Jayne is a highly experienced senior solicitor with a background in housing and tenancy law in both the public and private sectors. Jayne has served in a variety of senior leadership positions in the public sector and has been an EIL Director since September 2017. Jayne balances her role as an EIL Director with her position as Enfield Council's Head of Legal Services.

Non-Executive Director – Joanna Embling

Joanna Embling is a highly experienced property professional and chartered surveyor, and a former partner at Cushman & Wakefield. Joanna is a long-term resident of North London with an ambition to ensure that everyone should have access to adequate housing. With a broad development background in regeneration and a keen interest in housing, Joanna has served on the Development & New

Business Committee of Notting Hill Housing and as a member of the Government’s Private Rented Sector Taskforce.

Non-Executive Director – Peter Nwosu

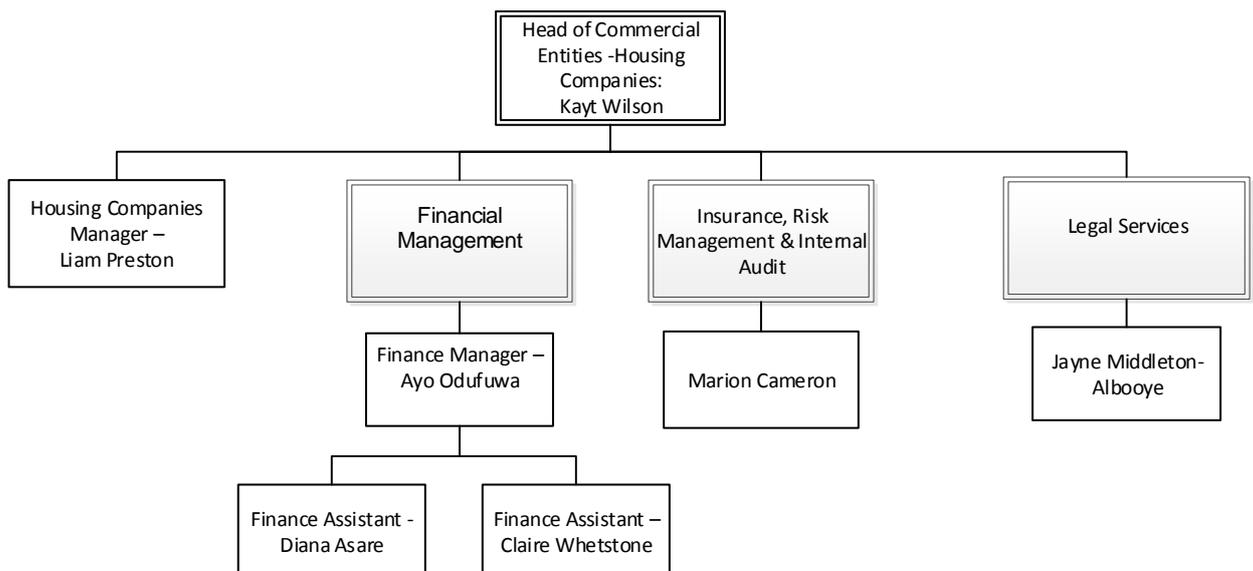
Peter is an experienced business professional with a strong commercial and finance background. A Chartered Accountant who has held senior international finance positions in blue-chip organisations including Gillette and Procter & Gamble. Currently, Peter is an Executive Director at Avon Cosmetics with responsibility for Finance and IT. He is a long-standing resident of Enfield with both an affinity and knowledge of the borough which he brings, along with his financial expertise and private sector experience, to his role as a board director.

The following Directors resigned from the company board during 2018/19:

- James Rolfe – Managing Director (Resigned)
- Chair – Dino Lemonides (Resigned)
- Executive Director – Achilleas Georgiou (Resigned)
- Executive Director – Ahmet Oykener (Resigned)

Staff

5.3 EIL has two dedicated members of staff, seconded from Enfield Council, which oversee the company’s direction and operations. EIL’s other activities are carried out by private sector contractors or Enfield Council staff contracted to provide services to EIL via service level agreements (SLA). EIL’s current SLAs with Enfield Council are: management; insurance, risk management and internal audit; finance and legal. The company also rents desk space within Enfield Civic Centre via a licence to occupy, the cost of which is split between EIL and Housing Gateway Ltd.



6.0 Targets 2018-19

6.1 EIL initially intended to develop 57 units for market rent. However, due to the construction delays which ensued following a major sub-contractor entering administration in December 2015, EIL has taken the decision to sell its properties. As a result, EIL's Targets for 18/19 are shown in the table below.

2018-19 Targets	
Target 1	Secure vacant possession and dispose of two properties to the HRA
Target 2	Ensure the 40 properties in construction are delivered according to the agreed construction timetable
Target 3	Find a buyer or buyers for the 40 properties in construction

6.2 The company's Directors and management team are considering potential future development options for EIL and the ways in which the company can add value to the Council. However, at present, the company's primary focus is the successful resolution of the SHS1 development and the sale of the company's properties.