

Estate Renewal

Update for
scrutiny
committee

February 2021

IMPROVING
ENFIELD

Estate Renewal Schemes

Three live schemes

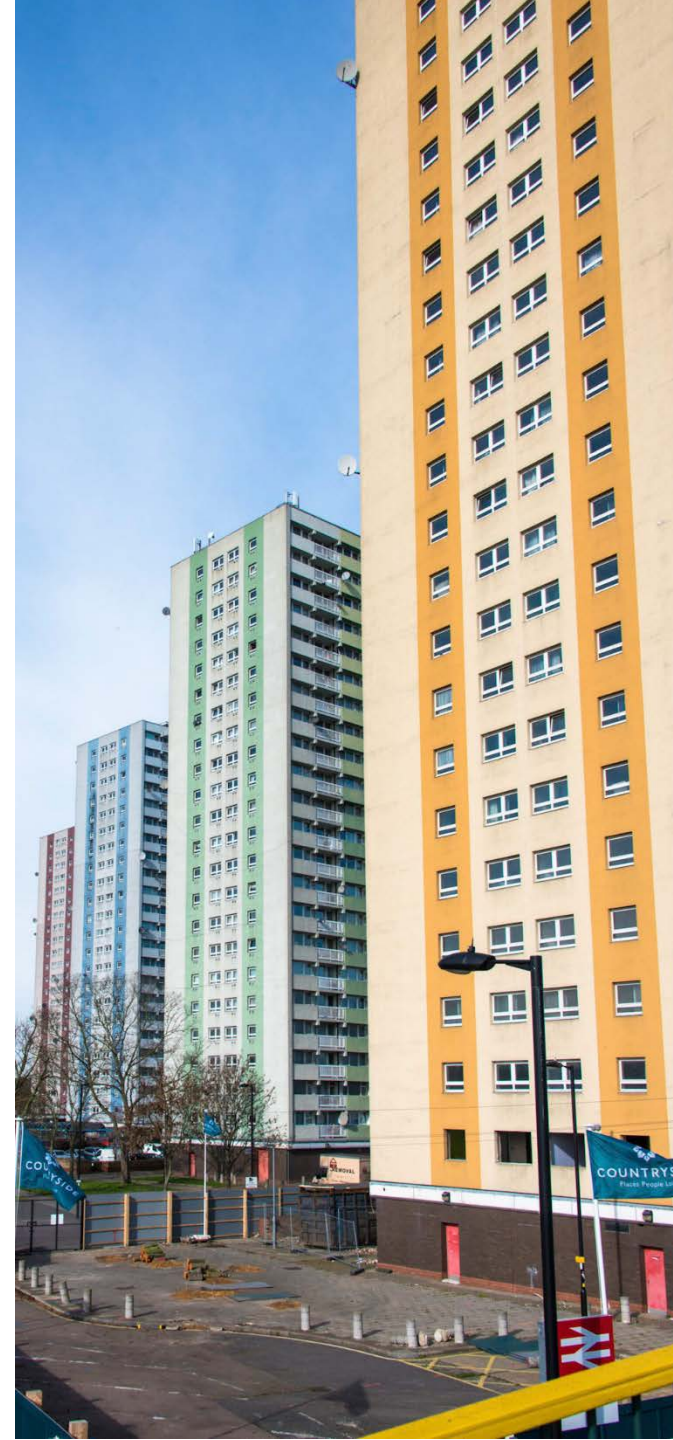
- Ladderswood
- Alma
- New Avenue

The investment this year will deliver:

- 177 newbuild completions, of which 78 will be Council owned rented homes, 46 shared ownership and 53 open market sale homes.
- 583 starts on site
- New community centres
- New Youth centre
- New Commercial units and revenue stream for the Council
- New Nursery
- Open space play area for families
- Construction jobs with over 30% local labour workforce
- Activity sustaining local high street economy
- 36 new homes adapted to meet the enduring needs of tenants
- Private sector investment

All three due to commence new phases in 2021/22

- S73 planning applications to be submitted for Alma and New Avenue



Estate Renewal Schemes

Over the past decade, the Council entered into development partnerships due to debt cap and inability to self finance the level of reinvestment needed to address failing stock.

Low land values and demand levels lowered the Council's leverage compared to higher value areas such as inner London. However, through development agreements the Council has provided high quality new homes for its residents.

Once the debt cap was lifted the Council began to explore options for self delivery of regeneration schemes, assisted by increasing appeal of outer London and increased returns possible from cross subsidy.

Covid has presented a new set of challenges, both around finance and investment opportunities and the future demand for housing. Despite this, the Council is in a strong position to continue exploring innovative ways of delivering estate renewal through self delivery, joint ventures, partnerships and traditional development agreements.

The Council will continue to be an enabler of high quality homes that are affordable and primarily aimed at families in Enfield regardless of whichever approach is adopted. Likewise, whilst it is necessary to be innovative and open to a variety of ways to achieve this objective, loss of Council land will always be a last resort. Wherever possible the Council aims to retain land whilst increasing the number of homes and bringing revenue into the Housing Revenue Account (HRA).



Phase 1 (Completed bar play area, delayed by Covid but due to complete mid-Feb 21).

| Block | Number of homes | Tenure | Completed |
|-------|-----------------|--------------|---|
| 1 | 72 | Private Sale | Aug/Sept 2019 |
| 2 | 24 | Private Sale | March 2019 |
| 2.5 | 26 | Council | November 2019 |
| 3 | 43 | Council | August 2019 |
| 4 | 35 | Newlon - SO | June 2020 <i>(Delayed due to covid-19)</i> |
| 5 | 28 | Council | November 2019 |



The Council entered into a development agreement with Countryside Properties to deliver 993 high quality new homes (200 social rent to be owned and managed by the Council, 201 shared ownership to be owned and managed by Newlon). Phase 1 homes now complete. Demolition of Cormorant and Merlin House has been completed as a precursor to Phase 2A but S73 application now required.

Negotiations underway with CPUK to secure best deal for Council with reference to the development agreement.

Primary objectives for S73:

- Right mix of homes to facilitate decanting of remaining residents in line with commitments made in local lettings plan.
- Maximise the number of family sized homes the Council receives in its allocation of 200 homes through the development agreement.
- Increase overall number of homes delivered across all tenures to provide more housing for Enfield residents.

Timeline (subject to agreement and subsequent approval processes):

Feb/Mar-21 Submit S73 planning application

Summer 21 Start on site Phase 2A and 4

Separately, a new medical centre will be completed and occupied by Spring 21.

A new youth centre will also be completed by Spring 21 with work immediately commencing on a new community centre following decanting of the old youth centre.

New Avenue

A development agreement with Countryside Properties to deliver 408 new homes (134 social rented homes to owned and managed by the Council with 6 shared equity homes for former leaseholders). A requirement is contained within the development for Countryside to submit a further planning application to increase the number of homes delivered.

The Council purchased 25 of the private homes to increase the number of affordable homes to 165 and facilitate existing residents moving into a new home more quickly.

Phase 1 is due to complete by Spring 21 and includes a new nursery/community centre building (provider TBC). All existing residents will have been moved into their new home by the time Phase 1 completes.

The requirement for the planning application was in part to enable the Council to benefit from a land receipt payment that hadn't been realised through the original planning consent (which was for less homes than envisaged at bid stage). Negotiations were entered into with Countryside to agree an application that would see the Council receive as high a number of family sized homes in phases 2 and 3 as possible whilst also returning a positive land receipt.

Subject to the approval process, these negotiations have achieved these objectives and a S73 application will be submitted in Feb/Mar 21, with a target completion for the project of 2026/27. Alongside a positive land receipt and an increase in the proportion three bedroom houses contained within the 140 affordable homes the Council receives through the development agreement, a further 30 shared ownership homes will be provided. This will provide an additional affordable tenure to the development, benefiting an even wider range of Enfield residents.



Ladderswood

The Council entered into a partnership with One Housing Group and Sherrygreen Homes (Mullaleys) to deliver 517 homes, with the 93 affordable rent (offered at social rent to existing Council tenants) and 56 shared ownership homes owned and managed by One Housing Group. In return the Council will receive a substantial overage within 18 months of the end of the project, targeted to complete in 2026/27.

Phase 1 contained Energetik's first energy centre.

Phase 2 included a very complicated lease structure. Cladding had to be changed in response to Grenfell to ensure it was compliant with building safety and NHBC requirements.

First three phases included highest proportion of infrastructure (including the "eye" and large podium parking).

Project finances and business plan are closely monitored, with regular reporting through development and regeneration board.

Pre 20/21 completions:

- Phase 1 completed October 2017.
 - 23 affordable rented homes (owned by One Housing Group)
 - 17 private sale.
- Phase 2 completed March 2020.
 - 21 affordable rented homes (owned by OHG)
 - 114 private sale
 - 6 commercial units (completed Dec 20 – but marketing commenced in Mar-20, pending change of use to retail after 12 month period)
 - 1 hotel (85 bed Premier Inn)

Completing 20/21

- Phase 3 completing end of January 2021.
 - 46 shared ownership homes (owned by OHG)
 - 28 private sale

AFFORDABLE HOUSING DEVELOPER FRAMEWORK (AHDF)

To address the quality of housing management, Cabinet (Dec 2020) approved the proposal to establish a Framework to call of Housing Providers to develop, acquire and facilitate the delivery of much needed new homes on council owned land.

Up to 10 organisations will achieve preferred partner status to own and manage affordable housing in the borough. This will include all activities necessary to construct housing and associated infrastructure, marketing and sales.

Procurement will commence in Spring 2021, with formal launch in early 2022

Framework providers will have the opportunity to partner with developers on council-led schemes to ensure homes built, reflect the needs of local residents.

Providers will be assessed on their financial capacity, quality of housing management, tenancy engagement and proven track record of partnership working.

commitment, expertise and investment

