



## London Borough of Enfield

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<b>Report Title</b>	Future of Shropshire and Cheshire House
<b>Report to:</b>	Cabinet
<b>Date of Meeting:</b>	19 <sup>th</sup> April 2023
<b>Cabinet Member:</b>	Cllr George Savva (Social Housing) and the Leader (Regeneration)
<b>Directors:</b>	Sarah Cary, Executive Director Place Joanne Drew, Director of Housing and Regeneration
<b>Report Author:</b>	Joanne Drew <a href="mailto:Joanne.drew@enfield.gov.uk">Joanne.drew@enfield.gov.uk</a>
<b>Ward(s) affected:</b>	Edmonton
<b>Key Decision Number</b>	5602
<b>Implementation date, if not called in:</b>	2 May 2023
<b>Classification:</b>	Part I Public
<b>Reason for exemption</b>	N/A

### Purpose of Report

1. This report sets out the options appraisal undertaken to decide on the future of Cheshire and Shropshire Houses in response to extensive repairs works required to keep both blocks in a state of safe repair over the coming months and years. The report makes the case for the preferred option in the light of resident engagement.

## Recommendations

1. In the light of resident engagement and the options appraisal, agree to the decommissioning of Shropshire and Cheshire Houses, subject to the safe rehousing of all residents.
2. Agree the expenditure outlined in this report to enable full decant of the Shropshire and Cheshire blocks and **recommend to Council** approval of the budget for the acquisition of leaseholder interests.
3. Approve the proposed Residents Offer set out in the report and shown in Appendix A.
4. Note the investment required for the safe maintenance and repair of the buildings whilst residents remain in situ which will be funded from the approved capital programme.
5. Agree to delegate the development options for the future of the blocks and estate and to consult all residents on the estate (inc under S105), to the Director of Housing and Regeneration in consultation with the Cabinet Member for Social Housing and the Leader.
6. Agree to Secure tenants being awarded decant status enabling them to bid for alternative homes through the Choice Based Lettings system.
7. Agree to issue an 'Initial Demolition Notice' to prevent any future Right to Buy requests dealing with all related steps and documentation including any steps needed to obtain vacant possession.
8. Agree to use CPO powers in principle across the two blocks with CPOs for the blocks to be brought back to Cabinet at a later date with supporting justification,
9. Authorise officers to carry out all preparatory work for the proposed CPO and any other powers (such as G10).
10. Note the results of the resident consultation to understand accommodation needs and lifestyle considerations which will be factored into the re-housing programme and support for residents affected.

## Background and Options

2. Shropshire House and Cheshire House are two 17-storey blocks, comprising 204 homes, located on the Shires Estate in Edmonton. Built in the 1960s, they have become increasingly difficult and costly to maintain due to the form of construction of the blocks (Large Panel System) and limited resources for their maintenance. There is a backlog of works required to ensure the blocks are of a modern-day standard.
3. In order to consider the investment strategy for the blocks a structural survey was commissioned, and the results were concluded in 2022. The findings indicated a need to undertake structural strengthening works and to remove the gas supply. The Council was progressing the delivery of an alternative heating source through a district heating solution.
4. Structural strengthening works are intrusive and disruptive for residents and can involve the need to replace kitchens and bathrooms therefore it was important to address these works before addressing other investment requirements including to meet the Decent Homes standard.

5. Gas supply to Cheshire House was turned off by the gas infrastructure provider (Cadent) in late November 2022 due to the discovery of a gas leak. This was earlier than had originally planned due to the discovery of the leak which led to the need for immediate action.
6. Since that time, Enfield Council has worked at pace to install a new electrical supply for both the buildings (Shropshire works undertaken as a preventative measure). This necessary work is now completed but has been disruptive to residents living in the blocks. Electrical heating is more expensive than gas, and this alongside the general heating cost increases has impacted on residents despite additional heating payments being made by the Council.
7. Whilst these works have ensured the return of a safe heating supply to all homes, to secure the safety of the blocks in the longer term, significant additional investment is required including the structural strengthening works. This will be even more disruptive for residents and will require an element of charge back to leaseholders which would be considerable.
8. Near term capital investment required involves:
  - a. Significant structural strengthening works which are highly disruptive – requiring decant of three to six floors at a time for circa three months.
  - b. Replacement, longer-term, district heating solution.
  - c. Upgrade of soil stacks and water supplies.
  - d. Window replacement.
  - e. External building fabric repairs.
  - f. Kitchens, Bathroom and Property Electrics to meet the Decent Homes Standard.
9. Estimated costs for retaining the building in a state of safe repair over 30 years has been estimated at £53m, with £40m of this amount needing to be spent in the short-term (1-3 years). This does not include more works including replacing external cladding, lift replacements and internal refurbishments of lobby and stairwells to make the building look more attractive or improve the experience of residents/address urban design issues.
10. Works to that scale would be funded through primarily from the Housing Revenue Account with Leaseholder contributions also due through Section 20 that would also put a considerable financial burden on the existing leaseholders. Table 1 below summarises.

**Table 1 – Anticipated costs and source of finance to repair Cheshire House and Shropshire House**

<b>Source of Funding</b>	<b>Cheshire</b>	<b>Shropshire</b>
Capital Investment Required	£24,719,939	£24,702,319

Estimated Leaseholder Contributions (S20)	£3,213,592	£3,211,301
Right to buy receipts	£1,141,798	£1,141,798
Finance required from the councils Housing Revenue Account (HRA)	<b>£20,364,549</b>	<b>£20,349,220</b>

11. Grant funding is currently unavailable for supporting such work and investing £40.7m from the HRA account into Cheshire and Shropshire House would reduce the availability of funds for much needed investment in other council housing in Enfield for building safety, decent homes, and infrastructure replacement.
12. It is unviable to retain the buildings, with the costs of investment significantly more than the income that would be generated. The long-term life of the buildings are uncertain and investment may be over a shorter period than 30 years.
13. The Council has statutory duties under the Landlord and Tenant Act (1985) and Commonhold and Leasehold Reform Act (2002) to maintain its buildings in a good state of repair. We are seeking to ensure investment in the buildings is based on sound asset management reasons whilst also reviewing the options for the longer-term.
14. Doing nothing is not an option, as both blocks have failed structural tests and investment is required to meet and sustain the Decent Homes standard. The risks posed by the structural defects have been mitigated in the short-term, but the blocks cannot remain occupied long-term as they are without the further significant investment outlined.
15. The current funding and policy environment also currently precludes an immediate regeneration scheme that would allow rehousing of residents in an acceptable time period.
16. An options appraisal has been carried out to look at the solutions for the blocks in the long-term. The result of this options appraisal is given in the summary table below.

**Table 2: Summary of Options Appraisal**

Options	Description	Considerations	Estimated costs
Option 1	Decant both blocks as soon as practically possible,	Provides a long-term safe housing solution for all residents.  Further work needed on the availability of alternative housing stock for rehousing.  Will cause substantial impact	£16.67m

		<p>to residents in rehousing.</p> <p>Avoids further additional significant sunk costs and prevents reduction of funding for other housing stock in the borough.</p>	
Option 2	<p>Decanting one of the blocks and invest in retaining safe occupation of the other until a regeneration scheme can be mobilised (c.4 years)</p>	<p>Reduces the need for permanent decant accommodation for half of the residents.</p> <p>The decanted block could be utilised to temporarily house residents of the blocks during the strengthening works to limit pressures on the rest of the council's housing stock.</p> <p>Substantial impact for all residents in decanting off-site and those remaining on site but required to decant to vacant block temporarily whilst strengthening works underway. Further disruption to residents once regeneration scheme has been implemented.</p> <p>Significant investment which does not improve the fabric of the blocks or address some of the urban design issues contributing to anti-social behaviour.</p> <p>Reduces available funding for repair and maintenance across wider council stock.</p>	£25.62m
Option 3	<p>Undertake the required works to both blocks and retain pending regeneration scheme (est. 4 years to commence)</p>	<p>A viable regeneration scheme has not yet been identified.</p> <p>Alternative accommodation would be required to allow for the phased decant for structural works to 2 blocks (circa 36 properties per block at a time).</p> <p>Substantial impact on residents both during decant phase and for those remaining in situ during the works to other homes in their</p>	£40.05m

		<p>block.</p> <p>Significant investment which does not improve the fabric of the blocks or address some of the urban design issues contributing to anti-social behaviour.</p> <p>Reduces available funding for repair and maintenance across wider council stock.</p>	
Option 4	Invest and Retain Blocks long term	<p>Alternative accommodation would be required to allow for the phased decant for structural works to each block (circa 36 properties per block at a time).</p> <p>Substantial impact on residents both during decant phase and for those remaining in situ during the works to other homes in their block.</p> <p>Significant investment which does not improve the fabric of the blocks or address some of the urban design issues contributing to anti-social behaviour.</p> <p>Reduces available funding for repair and maintenance across wider council stock.</p> <p>Significant investment which does not improve the fabric of the blocks or address some of the urban design issues contributing to anti-social behaviour.</p>	£52.94m

17. A resident audit was undertaken in December 2022 which has provided a good understanding of the housing need of residents currently living in the blocks. A summary of the findings from this audit is given in Tables 3 and 4 below.

Table 3 – Summary of Existing Tenure

Block	Secure Council Tenants	Resident Leaseholders	Non-Resident Leaseholders	Total Residents in Situ
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<b>Cheshire</b>	69	16	11	<b>96</b>
<b>Shropshire</b>	85	8	6	<b>99</b>

Table 4 - Summary of Housing Need for Residents in Shropshire and Cheshire Houses

<b>Housing Need</b>	<b>Properties Needed (%)</b>
<b>General Needs Properties</b>	
1 bed property	35%
2 bed property	35%
3 bed property	26%
4+ bed property	4%
<b>Total Properties<sup>1</sup></b>	100%

18. The results of a four-week consultation period throughout February and March can be seen at Appendix C. In summary, residents identified a number of concerns in relation to living on the estate currently. These included:

- Anti-social behaviour and general safety
- Concerns with the quality of homes and communal facilities consistent with the investment required
- Problem with lifts and general maintenance of shared spaces
- Number of properties in overcrowded conditions
- Waste in communal areas

19. Further, through the consultation, residents also raised a number of concerns and considerations related to their potential re-housing off the estate. These included:

- The timeline for moving
- The choice residents will have in their re-housing
- Leaving the area and/or friends/neighbours/support networks
- Opportunities for adult children to have their own home
- Length of time it might take to refurbish the blocks if not decommissioned

Table 5: Detailed assumptions for the leaseholder buybacks and tenant decants

<b>Item Cost</b>	<b>Anticipated Cost</b>
Secure Tenant disturbance payments	£2,500 per eligible tenant. There are currently c.155 secure tenants residing across the two blocks. There are a number of tenants who have already been rehoused under management transfer provisions from Cheshire and Shropshire House who will also receive payments retrospectively.
Secure Tenant home loss	£7,800 per eligible tenant (based on the current

<sup>1</sup> Housing needs data gathered via tenancy audits conducted in December 2022.

payments	rate set annually by the Government). There are currently c.155 tenants residing across the two blocks. There are 8 tenants who have already been rehoused from Cheshire and Shropshire House who will also receive payments retrospectively.
Resident Leaseholder home loss payments	10% above the independent market valuation of existing homes. There are currently 24 resident leaseholders across the two blocks.
Resident Leaseholder disturbance payments	The Council will cover all the reasonable costs associated with resident leaseholders moving off the estate. This includes reasonable costs incurred such as moving costs and reconnecting appliances etc. There are currently 24 resident leaseholders across the two blocks.
Non-Resident Leaseholder home loss payment of 7.5%	7.5% above the independent valuation of existing homes. There are currently 17 non-resident leaseholders across the two blocks.
Communication and Engagement Materials and Costs	Assumed £2,000 per year
Council Surveyor Costs for Buybacks	Assumed £1,000 per leasehold property
Costs related to leaseholders seeking RICS Surveyor and independent Leaseholder Financial Advice services	Assumed £1,500 per leasehold property.
Council legal fees for conveyancing	Assumed £1,500 per leasehold property
Leaseholders' legal fees	Assumed £3,600 per leasehold property
Stamp Duty payable by the Council on Buybacks	Based on current estimated values of the existing homes.
Stamp Duty for onward purchases	Based on current estimated values of the existing homes and estimated take up for landlords.
Shared Equity	Based on an indicative allowance for a limited number of cases identified as in need of additional financial support through the Exception Panel.
Costs involved in repairing properties to safe standard whilst residents remain	Assumed £6,000 a month based on last year's repairs data for Shropshire & Cheshire Houses
Costs involved in securing void properties when they become empty.	Assumed average of £1,000 per unit for Sitex costs.
Wider Council Decant Costs	An indicative allowance for progressing the Initial Demolition Notice, G10 and Compulsory Purchase Order



## **Preferred Option and Reasons for Preferred Option**

20. Based on the options appraisal undertaken (Table 2), and the feedback from residents the conclusion drawn is that Option 1, decanting both blocks as soon as possible, is the preferred and only viable and feasible option.
21. This will reduce the disruption for residents and the requirement for extensive council investment in the two blocks in the short-to-medium term (as well as significant contribution towards those costs from leaseholders which is likely to be unaffordable) and prevent the significant disruption to residents that would be required during the period of works to make the buildings safe and, for options 2 and 3, the further disruption associated with future regeneration. It will ensure residents can be moved as soon as possible to safe and suitable accommodation off-site. By making this decision the Council has responded as quickly as possible to concerns from residents about the uncertainty around the future of the blocks.
22. This will also prevent the concentration of council expenditure in basic repairs on Cheshire and Shropshire House at the expense of repairs needed across other council homes in the borough. It will also allow the appropriate time for a longer-term regeneration scheme to be identified that is feasible and viable.
23. The preferred option of decommissioning both blocks will require the re-housing of all remaining secure tenants in the blocks into suitable accommodation off-site that meets their individual housing needs or circumstances and the buying back of leaseholder properties.
24. If the preferred option is agreed, then the process of matching tenants to alternative suitable accommodation off-site will follow the council's Allocations Policy.
25. In addition, and to provide the greatest range of choice for tenants with their re-housing options, it is recommended that the Council's Choice Based Lettings service will be deployed allowing residents to bid for available properties suited to their needs. Due to the imminent re-housing requirement of residents of Cheshire House and Shropshire House, that will be created by a decision to pursue the preferred option, these residents will be given priority weighting in the bidding process to enable a timely and suitable move for each.
26. A Resident Audit was carried out in December 2022, complemented by a four-week consultation period across February and March 2023, which has provided a rich set of up-to-date information about residents' individual housing needs.
27. A pipeline of properties for re-housing tenants has also been explored through holding voids and future handovers, leading to an estimation of being able to re-house all residents into alternative council housing within a year. This is subject to residents bidding for available properties. Should residents not be successful in securing a new home through the

Choice-Based Lettings programme within 12 months, then they will be provided with a direct offer of an alternative home.

28. An 'Initial Demolition Notice' will be served on the two blocks under s138A of the Housing Act 1985 which will prevent the completion of any further Right to Buy applications. It is also intended to commence preparation of a G10 possession process to ensure that the Council is able to secure vacant possession as a last resort and within a reasonable timeframe.
29. If the preferred option is progressed and subject to approval by full Council, it will also enable the Council to commence discussions with the leaseholders regarding buying back their properties. It is also proposed that the Council prepare, in parallel with G10, Compulsory Purchase Order requirements [under section 17 of the 1985 Housing Act] to ensure that the Council is able to secure vacant possession of the third-party interests in the block as a last resort and within a reasonable timeframe.
30. To support this process, provide certainty to residents and a strong evidence base for any future possession actions, a fair, clear and consistent offer to residents, both secure tenants and leaseholders, has been developed. An outline of this offer is included in Appendix A.
31. The residents' offer will ensure that secure tenants and resident leaseholders are appropriately compensated for the disruption to their lives by being asked to move off-site as well as ensuring they are provided with any support they might need with the move.
32. The offer to leaseholders will be made based on an assessment of market value as agreed by a RICS accredited surveyor and would not account for disrepair issues the block has – which will be a significant benefit to leaseholders who would otherwise need to make a considerable contribution to the works. The offer to leaseholders will also include home loss and reasonable disturbance payments in line with CPO requirements. The Council will also offer resident homeowners an opportunity to purchase a similar alternative council home on a lease swap basis where void units are available. Further, to address the needs of residents in financial hardship, subject to consideration by an Exceptions Panel (a process that is already in place on other schemes), alternative options, such as an off-site shared equity solution on a comparable alternative property, or reversion to a council tenancy, will be considered on a case-by-case basis.
33. Once a decision is reached on the preferred option for the future of the blocks, a council engagement team will be deployed to support all residents throughout the period of re-housing. This will include:
  - Resident Engagement Officers deployed full-time to support council tenants across the two blocks with their housing options and moving home (which can be stressful and new for many – particularly the most vulnerable who may need additional support).
  - Access to legal and surveying costs associated with a buyback and financial advice for leaseholders to support their move to a new property.
34. Alongside the re-housing of all residents of both Cheshire and Shropshire House, an options appraisal for the future of the site will also need to be

undertaken in consultation with the residents of Hereford and Leicester House and surrounding residents. This options appraisal will consider the demolition of Cheshire and Shropshire and the options for this site post-demolition. It is recommended that this options appraisal progresses at the same time as re-housing residents of Cheshire and Shropshire House to minimise the potential delay in progressing a scheme and reducing the disruption to surrounding residents.

### **Risks involved in Preferred Option**

35. The decision to decant the blocks will require achieving vacant possession as soon as possible. Secure tenants will be given priority re-housing through the Choice Based Lettings scheme to provide the greatest level of tenant choice in re-housing. This may lead to a longer programme to re-house than would be the case through the management transfer process, but it enables residents to see the range of properties available and to bid for them. As noted above, the process will be supported by the serving of an Initial Demolition Notice and by G10 where required.
36. The relative weighting in favour of residents in Cheshire House and Shropshire House in the Choice Based Lettings system will reduce the availability of properties for those on the Housing Needs Register.
37. There are also currently 41 leaseholders across the two blocks. To achieve vacant possession, the council will need to agree the buyback of all leasehold homes within the same time period which will be supported by a CPO process, if required, should the Council not be able to reach agreement within a reasonable timeframe.

### **Relevance to Council Plans and Strategies**

38. The council adopted a new [Council Housing Assurance Framework](#) in February 2023 in preparation for the new regulatory environment and proposed changes to the consumer regulation of social housing. This new Framework establishes transparency and oversight of the performance of the council's own housing and meets the council's corporate plan objectives to ensure all residents, regardless of whether they are council tenants or housing association tenants, are provided with good homes in well-connected neighbourhoods and the creation or management of safe, healthy, and confident communities.
39. Enfield's [Housing and Growth Strategy](#) (2020-2030) has laid the foundations for significant new housing growth across the borough over recent years which is providing much needed new council homes for local residents. It is anticipated that this pipeline of new homes will need to be utilised to boost the supply of re-housing options for residents, in addition to existing council properties.
40. The council has an established [Housing Allocations Policy](#) which provides homes for residents with enduring needs and who cannot access housing independently. This enables us to ensure those in most need are prioritised for housing. Residents of Cheshire and Shropshire House will

continue to be re-housed based on priority need in line with the Allocations Policy.

41. Further, the council operates a Choice Based Lettings Scheme in partnership with Registered Housing Providers operating in the borough. This enables residents on the council’s housing register to search for and bid for properties available for social rent and/or London Affordable Rent in Enfield. Bids are based on a points-based system aligned to priority housing need. Should the preferred option to decant be agreed, it is recommended that all council tenants in Cheshire and Shropshire be given priority weighting on Choice Based Lettings to give them more surety in securing their choice of alternative home off-site.

## Financial Implications

### Summary

42. This report is proposing to approve expenditure to enable full decant of the Shropshire and Cheshire blocks, including the acquisition of leaseholder interests.
43. Shropshire House and Cheshire House are two 17-storey blocks, consisting of 204 homes. Shropshire House has 102 units with 89 tenants and 13 leaseholders and Cheshire House has 76 tenants and 26 leaseholders.
44. The Gas supply to Cheshire House was turned off in November 2022, since this time work has taken place to install a new electrical supply, boiler installations and asbestos removal for both blocks. These works are estimated to cost £2.5m and are included within the HRA approved capital programme.
45. Whilst these works resolve the short-term issues, significant investment is required in the long term. An options appraisal has been carried out to look at the solutions for the blocks in the long-term. These options are:
- a. Option 1 - Decant both blocks
  - b. Option 2 – Decant Shropshire House and invest (undertake works) in Cheshire House
  - c. Option 3 - Undertake the required works to both blocks and retain pending regeneration scheme (est. 4 years to commence)
  - d. Option 4 - Invest and retain blocks long term

### Capital budget impact

46. The capital works costs associated with each option has been estimated as shown in the table below:

<b>Works</b>	<b>Option 1</b>	<b>Option 2</b>	<b>Option 3</b>	<b>Option 4</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Structural Strengthening and	0.00	9.55	19.09	19.09

Infrastructure works				
Decent homes works (kitchens, bathrooms etc)	0.08	4.30	9.21	19.95
Building safety works	0.20	2.54	5.07	5.07
Contingency @20%	0.06	3.28	6.67	8.82
<b>Total works cost</b>	<b>0.34</b>	<b>19.66</b>	<b>40.05</b>	<b>52.94</b>

47. The preferred option (option 1) to decommission both blocks as soon as possible, will remove the need for such extensive expenditure but will still require investment to continue to secure the building in the short-term and to compensate residents for the disruption caused. The costs for option 1 will be funded from the existing capital budget.

48. The table below shows the full cost impact on both revenue and capital budgets for the preferred option 1:

	Revenue	Capital	Total
	£m	£m	£m
<b>Expenditure:</b>			
<b>One Off:</b>			
Leaseholder buybacks	0.00	12.53	12.53
Tenants decant costs	2.08	0.00	2.08
Security	0.24	0.00	0.24
Contingency @ 10%	0.23	1.25	1.48
<b>Total One Off</b>	<b>2.55</b>	<b>13.78</b>	<b>16.33</b>
<b>On Going:</b>			
Borrowing costs on capital (per annum)	0.68	0.00	0.68
Loss of rental income (per annum)	0.80	0.00	0.80
Reduction in Management & Maintenance costs (per annum)	-0.20	0.00	-0.20
Reduction in major works costs (per annum)	0.00	-0.20	-0.20
<b>Total On Going</b>	<b>1.28</b>	<b>-0.20</b>	<b>1.08</b>
<b>Total Cost</b>	<b>3.83</b>	<b>13.59</b>	<b>17.42</b>
<b>Funded by:</b>			
HRA reserves (current balance £17m)	3.83	0.00	3.83
Reduction in major works budget	0.00	10.00	10.00
Reduction in acquisitions budget	0.00	3.59	3.59
<b>Total Funding</b>	<b>3.83</b>	<b>13.59</b>	<b>17.42</b>

### Funding

49. The one-off costs will be funded as follows:

- a. £13.78m capital expenditure will be funded from approved borrowing – the major works and acquisitions programme budgets will be reduced to these costs are affordable within the current HRA Business Plan
  - b. £2.55m revenue costs will be funded from HRA reserves, the balance is £17m, with minimum reserve levels held at no less than £6m.
50. The on-going costs of £1.08m per annum will be funded as follows:
- a. Revenue efficiency savings will be made – these will include reduction in Management & Maintenance costs, reduced capitalisation on Development and Estate Regeneration projects and Civica Implementation
  - b. HRA reserves will be used if there is a shortfall in these efficiencies.

### Leaseholder Offer

51. There are currently 41 leaseholders in-situ. Leaseholder buyback offer will be based on market value with statutory home loss compensation offered at 10% for resident and 7.5% for non-resident leaseholders. In addition, there will be disturbance compensation to cover the costs of solicitor fees and stamp duty costs.
52. For resident leaseholders who are unable to afford to buy a similar property off the estate, the council will consider a shared equity approach. This would see the leaseholder put the equity share, current mortgage, and home loss payment towards the cost of a comparable property. The Council will then purchase the remaining equity share of the property that the homeowner is unable to purchase. The leaseholder would not pay rent on the share they do not own but would be responsible for any service charges related to the property.
53. An allowance of £2.3m for the shared equity option has been included within the leaseholder buybacks costs in the table above. This allowance is based on 24 resident leaseholders, with the Council equity share averaging at 35% of the property value, this is an average of £95k per property. The equity share would go up in value over time and when sold, could offset some or all of the preceding interest cost.

### Revenue budget impact

54. This block generates c. £803k rental income per annum, once the blocks have been fully decanted this will create a pressure in the revenue budget. However, this will be partly offset by the reduction in the on-going management and maintenance costs associated with these blocks.
55. The blocks will incur tenant homeless (£7.8k per tenant) and disturbance payments (£2.5k per tenant), council tax on the void properties and security costs, these costs are included within the table above.

### Borrowing Impact

56. Borrowing of £13.78m is required to buyback the leaseholders in these blocks, the annual borrowing costs will be £680k based on a 5% borrowing rate

### Taxation

57. As these buybacks are not eligible to be supported by grant or RTB receipts subsidy, SDLT (Stamp Duty Land Tax) will be payable, these costs are included in the table above.

### Future

58. Options on the future of these blocks are in discussions and a further paper will propose the next steps.

## **Legal Implications**

59. The Council has the power to proceed with the recommendations by virtue of the general power of competence under section 1 of the Localism Act 2011, which provides the Council with the power to do anything that individuals generally may do. Section 111 of the Local Government Act 1972 enables the Council to do anything which is calculated to facilitate, or is conducive to or incidental to, the discharge of any of its functions, whether or not involving expenditure, borrowing, or lending money, or the acquisition or disposal of any rights or property.

60. Section 105 of Part IV of the Housing Act 1985 provides that the Council must consult with all secure tenants who are likely to be substantially affected by a matter of Housing Management. Section 105 specifies that a matter of Housing Management would include a new programme of maintenance, improvement or demolition or a matter which affects services or amenities provided to secure tenants and that such consultation must inform secure tenants of the proposals and provide them with an opportunity to make their views known to the Council within a specified period. Section 105 further specifies that before making any decisions on the matter the Council must consider any representations from secure tenants arising from the consultation. Such consultation must therefore be up to date and relate to the development proposals in question.

61. Section 137 of Part V of the Housing Act 1996 makes it a requirement for introductory tenants to be consulted who are likely to be substantially affected by a matter of housing management, identical to the Section 105 above.

62. It is noted that the serving of the Demolition Notices is required to prevent future right to buy requests. The blocks are currently occupied by tenants and leaseholders of the Council. The secure tenants have a legal right under Section 105(1) and (2) of the Housing Act 1985 (as amended) (the 'HA 1985') to be consulted on matters of housing management which includes any development proposal resulting in potential displacement of tenants or demolition.

63. The Council may suspend the right to buy by serving the secure tenants with an Initial Demolition Notice under section 138A of the HA 1985. It must contain the information set out in Schedule 5A of the HA 1985 stating that the Council intends to demolish the dwelling-house or the building containing it and setting out the reasons why the Council intends to demolish the premises. The Initial Demolition Notice must specify a reasonable period being no more than 7 years after the date of service of the notice within which the Council intends to demolish the premises. An Initial Demolition Notice will prevent named properties from being acquired from the Council through Right to Buy as the Council is not obliged to sell the properties to the tenants.
64. In order to obtain vacant possession of properties let under secure tenancies, the Council must show that it intends within a reasonable time to demolish or reconstruct the building or part of the building comprising the dwelling-house, or to carry out work on that building or on land let together with, and thus treated as part of, the dwelling-house and cannot reasonably do so without obtaining possession of the dwelling-house.
65. Ground 10 of Schedule 2 Housing Act 1985 states that in order to obtain vacant possession of properties let under secure tenancies, the Council must show that it intends within a reasonable time to demolish or reconstruct the building or part of the building comprising the dwelling-house, or to carry out work on that building or on land let together with, and thus treated as part of, the dwelling-house and cannot reasonably do so without obtaining possession of the dwelling-house.
66. If, exceptionally, the proposals to demolish following the service of an Initial Demolition Notice, the Council can withdraw a notice by service of a revocation notice; followed by the Final Demolition Notice which is valid for up to two years (with possible extension subject to the consent of the Secretary of State).
67. It is noted the Council intends to use compulsory purchase powers to help with the proposed demolition. The Council has numerous powers available under Housing legislation to make a compulsory acquisition of any land in their area. There is further a general power under the Town and Country Planning Act 1990. The further preparatory work for the proposed CPOs should take into account the Government Guidance on Compulsory Purchase (Guidance on Compulsory Purchase and the Crichel Down Rules published in February 2018 by the Ministry of Housing Communities and Local Government (updated July 2019) in order to decide the most appropriate power to use.
68. It is noted that the Council's rehousing options, financial compensation and general processes in relation to council tenants relocating, are set out in the Council's offer document.

### **Equalities Implications**

69. A full EQIA has been undertaken (see Appendix B). This has concluded that the preferred option does not impact differentially on any protected characteristic groups.
70. The potentially adverse impacts, to all groups, of being re-housed will be mitigated through a strong resident offer that reflects the offers elsewhere



and ensures all residents are provided with the support they need to move to an alternative home off site.

71. Pursuing Option 1 of re-housing all secure tenants provides an opportunity to match residents with their current housing needs and provide with suitable alternative accommodation.
72. A Resident Audit and a four-week consultation period already undertaken has provided detailed understanding of residents' accommodation needs and lifestyle considerations which will be factored into the re-housing programme for the estate.

### **Environmental and Climate Change Implications**

73. The preferred option for Cheshire and Shropshire House requires the decommissioning and decanting of both blocks.
74. The longer-term options for the two blocks, including potential demolition or rebuild will be determined through a robust regeneration appraisal which will take full account of the embodied carbon considerations when assessing the potential options.
75. Should the preferred option be pursued, the project team will engage with Enfield's [Excess Materials Exchange](#) Scheme to explore the potential for repurposing the equipment recently installed in the blocks (e.g., electric boilers), as well as working with the original installers and suppliers to investigate possible 'take-back' or re-installation schemes.
76. The Excess Materials Exchange (EME) Scheme embeds circular economy principles into the design, sourcing, specifications, use and re-use of construction materials, components, and buildings to bring benefits to carbon emissions, traffic reduction, resource scarcity, waste reduction, local businesses, employment, skills, and the quality of design. The intention is that this drives down embodied carbon and informs circular economy statements.
77. The project team will also continue to engage with the EME scheme in consideration of the longer-term options for the blocks, to explore the potential for the re-use and repurposing of any materials should any decision be taken to dismantle the buildings, wholly or in part. In assessment of the longer-term options, the Whole-life Carbon of the options will also be taken into account.

### **Public Health Implications**

78. The preferred option of decommissioning Cheshire and Shropshire House is to ensure safe and comfortable longer-term accommodation for all residents across the two blocks.
79. Residents living in the blocks currently have reported dissatisfaction with living conditions on the estate and concerns with anti-social behaviour and crime.

80. Through re-housing to safe and secure homes off the estate, it is anticipated that residents' well-being and quality of life will be significantly improved.

### **Crime and Disorder Implications**

81. Residents living in the existing blocks have reported regular disturbances from crime and disorder. Moving residents to new properties off the estate through the Choice Based Lettings process will reduce this impact on them.

82. Plans are currently being developed to secure each property as it becomes vacant and 24-hour security will remain in place until all properties are empty to ensure remaining residents remain safe and secure whilst in situ. This is likely to include boarding up each property and fixing with anti-tamper screws, disconnecting electric and water supplies to all void properties. Weekly inspections of the block will also be undertaken.

83. Once both blocks are fully vacant, each block will be secured by Harass fence and a 24-hour, 7 day a week security patrol will be instructed.

84. Any longer-term proposals for the estate will need to address the urban design of the estate to encourage a safer environment that discourages anti-social behaviour and crime.

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### **Appendices**

- A. Proposed Resident Offer
- B. Equality Impact Assessment
- C. Resident Engagement Summary

## **APPENDIX A: SHROPSHIRE HOUSE AND CHESHIRE HOUSE – PROPOSED RESIDENTS OFFER**

### **INTRODUCTION**

If a decision is taken to re-house residents from Cheshire and Shropshire House, then a clear and transparent offer to all tenants and leaseholders will need to be communicated from the outset.

Based on Government policy, best practice in estate regeneration and examples from elsewhere in the borough, the following draft resident offer has been developed to support Cabinet in deciding whether to support the preferred option of re-housing residents as put forward to the meeting on April 19<sup>th</sup> 2023. This offer reflects the specific circumstances at Shropshire and Cheshire House.

### **COUNCIL TENANTS**

**Tenancy:** Residents re-housed into another council property, the Council will still be the landlord, and residents will still have a secure lifetime tenancy, with accrued Right-to-Buy years protected.

**Rents:** Secure council tenants currently pay a social rent. A move to existing Council stock would see secure tenants continue to be charged at Council social rent levels and their rents will be set in the same way. There is a very limited supply of new build homes coming available and these are charged at London Affordable Rent levels which are low but not likely to be as low as the existing rent of social tenants. As such, an offer to re-house in a new build property will be subject to an affordability assessment to make sure social tenants can sustain the tenancy and it is the right decision for them.

**Compensation:** If the decision is made to decant the blocks, Secure Tenants will be entitled to a statutory Home Loss payment which currently stands at £7,800 (this amount is set by the Government and reviewed annually). They will also receive a Disturbance Allowance of up to £2,500 to cover other costs associated with moving such as: redirection of mail; the connection of appliances; etc. For residents moving since December by way of a Management Transfer and before the decision is made to decant, we will backdate the payments minus any support costs we may have incurred in helping them to move.

**Homes that reflect need:** The Council will be carrying out a Housing Needs Assessment to determine the housing need of the existing Secure Tenants. This will take into consideration medical needs and household occupation.

**Under occupiers needs +1:** If following the Housing Needs Assessment, it is determined that a household requires a home smaller than its current one, the Council will provide Secure Tenants with the option of an additional bedroom above their housing need. We offer the following incentives to these qualifying Secure Tenants that wish to downsize to a home that meets their need which equates to £1,250 for giving up 1 x room, £2,000 for giving up 2 x rooms, £2,500 for giving up 3 x rooms and £3,000 for giving up a four bedroom or larger property

**Support with the move:** The Council will offer a wide range of support to help all Secure Tenants move into their new homes. The reasonable costs of this will be covered by the Disturbance Allowance.

**Compensation for work undertaken on property:** Secure Tenants who can provide evidence of permitted work done on their homes, at their own expense, can claim reasonable compensation. The level of compensation will be assessed and will depend on how long ago the work was carried out.

**Rent Arrears:** Any rent arrears will be deducted from the home loss compensation payment.

## **RESIDENT LEASEHOLDERS**

**Homes independently valued:** The Council will pay for an independent market valuation of Leaseholders homes that does not account for the disrepair issues in the block. This will be carried out by an Independent Royal Institute of Chartered Surveyors to make sure it is accurate and fair.

**Home loss compensation:** The Council will pay resident leaseholders 10% above the independent market valuation of their existing home as a Home Loss payment.

**Resident Leaseholders Disturbance Compensation:** The Council will cover the reasonable costs associated with moving off the estate. This includes solicitors' fees and Stamp Duty related to the purchase of a comparable home, appointing their own independent surveyor, moving costs, and reconnecting appliances.

**Officer support:** Resident leaseholders will receive specialist support from the council's Property Acquisitions Team who will guide them on the process for selling their home, purchasing a new home and the move.

**Lease Swap:** to support residents who wish to purchase an existing Council-owned home elsewhere in the borough, the Council will offer a lease swap on a comparable home of a similar value (where the existing lease is ported over) and where the 10% home loss payment should be used where required.

**Exceptional circumstances:** For resident leaseholders who are unable to afford to buy a similar property off the estate or take advantage of the Lease Swap offer, the council will consider a shared equity approach which would be subject to approval by an Exceptions Panel. This would enable a resident leaseholder to put the equity of their current property, plus their existing mortgage (if obtainable) and their 10% Home Loss payment towards the purchase of another comparable property within the borough. In this option the council would be paying for, and owning, the remaining equity share that the homeowner is not able to purchase. The leaseholder would not be required to pay rent on the share they did not own but would be responsible for any service charges, maintenance, insurances, etc. The council's equity share would be repaid once the home is sold in the future.

For resident homeowners unable to access any reasonable homeownership options due to being in financial difficulty or assessed as vulnerable, the council will provide additional support and their rehousing will be in line with the Housing Allocations Policy.

## **NON-RESIDENT LEASEHOLDERS**

**Homes independently valued:** The Council will pay for an independent market valuation of Leaseholders homes that does not account for the disrepair issues in the block. This will be carried out by an Independent Royal Institute of Chartered Surveyors to make sure it is accurate and fair.

**Home Loss compensation:** The Council will pay non-resident leaseholders 7.5% above the independent market valuation of their existing home as a Home Loss payment.

**Non-Resident Leaseholders Disturbance Compensation:** The Council will cover reasonable costs associated with terminating any existing tenancy(ies), solicitors' fees related to the purchase and appointing their own independent surveyor and costs associated with purchasing a replacement investment property (i.e., SDLT up to the value of the existing home).

# APPENDIX B - ENFIELD EQUALITY IMPACT ASSESSMENT (EQIA)

## Introduction

The purpose of an Equality Impact Assessment (EqIA) is to help Enfield Council make sure it does not discriminate against service users, residents, and staff, and that we promote equality where possible. Completing the assessment is a way to make sure everyone involved in a decision or activity thinks carefully about the likely impact of their work and that we take appropriate action in response to this analysis.

The EqIA provides a way to systematically assess and record the likely equality impact of an activity, policy, strategy, budget change or any other decision.

The assessment helps us to focus on the impact on people who share one of the different nine protected characteristics as defined by the Equality Act 2010 as well as on people who are disadvantaged due to socio-economic factors. The assessment involves anticipating the consequences of the activity or decision on different groups of people and making sure that:

- unlawful discrimination is eliminated
- opportunities for advancing equal opportunities are maximised
- opportunities for fostering good relations are maximised.

The EqIA is carried out by completing this form. To complete it you will need to:

- use local or national research which relates to how the activity/ policy/ strategy/ budget change or decision being made may impact on different people in different ways based on their protected characteristic or socio-economic status;
- where possible, analyse any equality data we have on the people in Enfield who will be affected e.g., equality data on service users and/or equality data on the Enfield population.
- refer to the engagement and/ or consultation you have carried out with stakeholders, including the community and/or voluntary and community sector groups you consulted and their views. Consider what this engagement showed us about the likely impact of the activity/ policy/ strategy/ budget change or decision on different groups.

The results of the EqIA should be used to inform the proposal/ recommended decision and changes should be made to the proposal/ recommended decision as a result of the assessment where required. Any ongoing/ future mitigating actions required should be set out in the action plan at the end of the assessment.

## Section 1 – Equality analysis details

<b>Title of service activity / policy/ strategy/ budget change/ decision that you are assessing</b>	Future of Shropshire and Cheshire House
<b>Team/ Department</b>	Housing and Regeneration
<b>Executive Director</b>	Sarah Cary, Joanne Drew
<b>Cabinet Member</b>	Cllr George Savva
<b>Author(s) name(s) and contact details</b>	Joanne Drew, <a href="mailto:Joanne.drew@enfield.gov.uk">Joanne.drew@enfield.gov.uk</a>
<b>Committee name and date of decision</b>	19 <sup>th</sup> April 2023

## Section 2 – Summary of proposal

Please give a brief summary of the proposed service change / policy/ strategy/ budget change/project plan/ key decision

**Please summarise briefly:**

What is the proposed decision or change?

What are the reasons for the decision or change?

What outcomes are you hoping to achieve from this change?

Who will be impacted by the project or change - staff, service users, or the wider community?

Shropshire House and Cheshire House are two 17-storey blocks, comprising 204 homes, located on the Shires Estate in Edmonton. Built in the 1960s, the blocks have become increasingly difficult and costly to maintain due to their form of construction.

The discovery of a gas leak in November 2022 led to immediate interruption of gas supply followed by an intensive period of emergency works. While necessary works to ensure the return of a safe heating supply for all residents have been completed, significant additional investment is required to minimise the disruption to residents and secure the long-term safety of the blocks.

**Proposed change**

An option appraisal has been carried out to look at the solutions for the blocks in the long-term. As set out in the cabinet report, the option appraisal concludes that decanting both blocks as soon as possible is the preferred and only viable option.

**Reasons for change**

Doing nothing is not an option, as both blocks have failed structural tests. While the risks posed by the structural defects have been mitigated in the short-term, the blocks cannot remain occupied in the long-term without further significant investment. As outlined in the cabinet report:

- It is unviable to retain the buildings as the investment costs outweigh future revenue streams.
- The current funding and policy environment precludes an immediate regeneration scheme that would allow rehousing of residents in an acceptable timeframe.
- Residents are overwhelmingly in favour of re-housing assuming suitable

accommodation is provided off-site

### **Expected outcomes**

The preferred option of decommissioning both blocks will require the re-housing of all remaining residents in the blocks into suitable accommodation off-site. Pursuing this option provides an opportunity to match residents with their current housing needs and provide suitable alternative accommodation that meets their individual circumstances.

A Housing Needs Survey and a four-week consultation period already undertaken has provided detailed understanding of residents' accommodation needs and lifestyle considerations which will be factored into the re-housing programme for the estate.

The Residents' Offer is intended to support all residents, tenants, and leaseholders, to mitigate the disruption to their lives and ensure they receive all the support they need to find an alternative home off-site.

## **Section 3 – Equality analysis**

This section asks you to consider the potential differential impact of the proposed decision or change on different protected characteristics, and what mitigating actions should be taken to avoid or counteract any negative impact.

According to the Equality Act 2010, protected characteristics are aspects of a person's identity that make them who they are. The law defines 9 protected characteristics:

1. Age
2. Disability
3. Gender reassignment.
4. Marriage and civil partnership.
5. Pregnancy and maternity.
6. Race
7. Religion or belief.
8. Sex
9. Sexual orientation.

At Enfield Council, we also consider socio-economic status as an additional characteristic.

“Differential impact” means that people of a particular protected characteristic (e.g., people of a particular age, people with a disability, people of a particular gender, or people from a particular race and religion) will be significantly more affected by the change than other groups. Please consider both potential positive and negative impacts and provide evidence to explain why this group might be particularly affected. If there is no differential impact for that group, briefly explain why this is not applicable.

Please consider how the proposed change will affect staff, service users or members of the wider community who share one of the following protected characteristics.



## Age

This can refer to people of a specific age e.g., 18-year-olds, or age range e.g., 0–18-year-olds.

Will the proposed change to service/policy/budget have a **differential impact [positive or negative]** on people of a specific age or age group (e.g., older, or younger people)?

Please provide evidence to explain why this group may be particularly affected.

Approximately 40% of registered tenants who responded to the housing needs survey are over 55 years old.

☺☺☺

Elderly residents are likely to be negatively impacted by the decision to decant the blocks, but positively assisted through the re-housing offer.

Re-housing is likely to have stronger effects on elderly residents as they are more likely to experience mental health difficulties or physical disabilities. The rehousing offer will seek to prioritise vulnerable households, including elderly residents.

Older residents might find moving to a new home more difficult, especially if they require adaptations to their home. Those needing adapted homes will benefit from being given priority to move to a new home which is suitable to their needs.

Older tenants are more likely to be under-occupying their home. These tenants are likely to be required to move to a smaller home. Payments for down-sizing will be available to incentivise re-housing. Compared to other age groups, residents over 65 years old are not subject to restrictions of the number of bedrooms that can be paid for through benefit.

For school-age children, a move to a different home, off the estate, could be particularly disruptive if the move would require changing schools. Approximately 27% of residents in Cheshire House and 20% of residents in Shropshire are of school age (5-18 years). These children could be adversely impacted by being re-housed if the new property takes them away from the catchment area for their current school.

## Mitigating actions to be taken

Consultation has already begun to understand more about the concerns and needs of residents living in Cheshire and Shropshire House. This intelligence will be used to ensure the right support mechanisms are put in place to ease the transition of residents from their existing home to their new home and the re-housing offer will seek to support vulnerable residents to secure alternative homes that match their individual needs and circumstances.

Additional priority to remain in the local area will also be given to residents with Special Educational Needs who receive high quality support from the schools they currently attend.

The council team will begin engagement with the local schools immediately upon decision to progress with the preferred option of re-housing residents.

The effects of re-housing will be in part offset by individual support provided to each household, including disturbance and home loss compensation.

As highlighted in the cabinet report, a council engagement team will be deployed to support residents throughout the period of re-housing.

### **Disability**

A person has a disability if they have a physical or mental impairment which has a substantial and long-term adverse effect on the person's ability to carry out normal day-day activities.

This could include: physical impairment, hearing impairment, visual impairment, learning difficulties, long-standing illness or health condition, mental illness, substance abuse or other impairments.

Will the proposed change to service/policy/budget have a **differential impact [positive or negative]** on people with disabilities?

Please provide evidence to explain why this group may be particularly affected.

Residents with disabilities are under-represented among households in the blocks (i.e., less than 1% of the respondents of the resident audit self-identified as having a disability).

Residents with disabilities are likely to be negatively impacted by the decision to decant the blocks, but positively assisted through the re-Housing Offer.

Residents with mental health needs and learning disabilities may find moving to a new home more difficult, especially if moved outside their current area. Similarly, households that require adaptations to their home may find it more difficult to find substitute properties in the local area.

In line with the statutory duties of the Council, the Re-Housing Offer will offer priority for vulnerable households, including residents with disabilities.

### **Mitigating actions to be taken**

Consultation has already begun to understand more about the concerns and needs of residents living in Cheshire and Shropshire House. This intelligence will be used to ensure the right support mechanisms are put in place to ease the transition of residents from their existing home to their new home and the re-housing offer will seek to support vulnerable residents to secure alternative homes that match their individual needs and circumstances as far as possible.

The consultation is being held on site to make it as accessible as possible for residents to engage in, this includes door-knocking for those residents who may struggle to visit the on-site office or engage with any of the online or written material. Individual communication needs are also being monitored by the engagement team to ensure any particular requirements are addressed.

The effects of being required to move will, in part, be offset by support being given to each household, including financial help with the costs of moving, and the Council applying priority for vulnerable households.

Additional priority to remain in the local area will also be given to residents with Special Educational Needs who receive high quality support from the schools they currently attend.

A council engagement team including will be deployed to support residents throughout the period of re-housing.

### **Gender Reassignment**

This refers to people who are proposing to undergo, are undergoing, or have undergone a process (or part of a process) to reassign their sex by changing physiological or other attributes of sex.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on transgender people?

Please provide evidence to explain why this group may be particularly affected.

There is a lack of available data in this area. However, we do not believe that the decision to decant the blocks will have a differential impact (positive or negative) on transgender people. The Re-housing Offer will be made based on need rather than household characteristics.

### **Mitigating actions to be taken**

Consultation has already begun to understand more about the concerns and needs of residents living in Cheshire and Shropshire House. This intelligence will be used to ensure the right support mechanisms are put in place to ease the transition of residents from their existing home to their new home.

We will monitor the implementation of proposed change to ensure that the decision to decant Shropshire House and Cheshire House will not have a differential impact on people or households with protected characteristics, including transgender people.

### **Marriage and Civil Partnership**

Marriage and civil partnerships are different ways of legally recognising relationships. The formation of a civil partnership must remain secular, where-as a marriage can be conducted through either religious or civil ceremonies. In the U.K both marriages and civil partnerships can be same sex or mixed sex. Civil partners must be treated the same as married couples on a wide range of legal matters.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people in a marriage or civil partnership?

Please provide evidence to explain why this group may be particularly affected.

The decommissioning of the two blocks will not have a differential impact (positive

or negative) on people in a marriage or civil partnership. The re-housing offer will be made based on needs rather than household characteristics.

**Mitigating actions to be taken**

We will monitor the implementation of proposed change to ensure that the decision to decant Shropshire House and Cheshire House will not have a differential impact on people or households with protected characteristics.

**Pregnancy and maternity**

Pregnancy refers to the condition of being pregnant or expecting a baby. Maternity refers to the period after the birth and is linked to maternity leave in the employment context. In the non-work context, protection against maternity discrimination is for 26 weeks after giving birth, and this includes treating a woman unfavourably because she is breastfeeding.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on pregnancy and maternity?

Please provide evidence to explain why this group may be particularly affected.

The Council does not hold data on pregnancy and maternity among its tenants and leaseholders; however, preliminary data can be derived through current engagement with tenants and leaseholders about their current circumstances. This data indicates that approximately 3% of residents in the two blocks are under 5-years old.

The decision to decommission the blocks is likely to be more disruptive to pregnant women, those with young children, and single mothers. Pregnant women and young parents may rely on family members and friends living locally to provide care and support. These residents may also benefit from local facilities and services for expectant parents, parents, and single parent households.

The re-housing Offer will be based on resident needs, the change will allow the households who have recently increased their family size to move to an appropriate size home.

**Mitigating actions to be taken**

Consultation has already begun to understand more about the concerns and needs of residents living in Cheshire and Shropshire House. This intelligence will be used to ensure the right support mechanisms are put in place to ease the transition of residents from their existing home to their new home.

The effects of re-housing will be in part offset by individual support provided to each household, including disturbance and home loss compensation. Where possible, the Council will match the household's preference regarding the location of the new home, and additional priority will be given to vulnerable households. If required, households with young children will be given the opportunity to move into an appropriate size home to avoid overcrowding.

A council engagement team will be deployed to support residents throughout the

period of re-housing.

### **Race**

This refers to a group of people defined by their race, colour, and nationality (including citizenship), ethnic or national origins.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people of a certain race?

Please provide evidence to explain why this group may be particularly affected.

[OBJ]

BAME communities are disproportionately represented in the tenant and leaseholder population of the estate and there may be specific cultural ties, such as businesses and community groups locally that cater for specific cultural needs of residents of a particular race or ethnicity. There are a number of known Turkish and Somali speaking tenants in the blocks who require translation services.

The re-housing offer will be made based on needs rather than household characteristics.

### **Mitigating actions to be taken**

Consultation has already begun to understand more about the concerns and needs of residents living in Cheshire and Shropshire House. This intelligence will be used to ensure the right support mechanisms are put in place to ease the transition of residents from their existing home to their new home.

The effects of re-housing will be in part offset by individual support provided to each household, including disturbance and home loss compensation

A number of measures will be taken to ensure that BAME applicants are not disadvantaged including:

- Providing appropriate advice and assistance
- Translating documents on request
- Having an interpreter present in key engagement activities
- Providing information in other formats on request

### **Religion and belief**

Religion refers to a person's faith (e.g., Buddhism, Islam, Christianity, Judaism, Sikhism, Hinduism). Belief includes religious and philosophical beliefs including lack of belief (e.g., Atheism). Generally, a belief should affect your life choices or the way you live.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people who follow a religion or belief, including lack of belief?

Please provide evidence to explain why this group may be particularly affected.

[OBJ]

The decommissioning of the blocks is likely to have a greater impact on residents who go to a specific place of worship or are part of a religious community.

There are a number of churches, mosques, and prayer facilities in close proximity to Cheshire and Shropshire Houses that tenants, and leaseholders may frequent.

Where possible, the Council will support the residents to remain in the local area.

#### **Mitigating actions to be taken**

Consultation has already begun to understand more about the concerns and needs of residents living in Cheshire and Shropshire House. This intelligence will be used to ensure the right support mechanisms are put in place to ease the transition of residents from their existing home to their new home.

We will monitor the implementation of the proposed change to ensure that the decision to decant Shropshire House and Cheshire House will not have a differential impact on people or households with protected characteristics.

#### **Sex**

Sex refers to whether you are a female or male.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on females or males?

Please provide evidence to explain why this group may be particularly affected.

Women are over-represented among households in the blocks. Approximately 59% of respondents of the resident audit are women.

Moving home will be more disruptive to households with children, who may have to make alternative arrangements for schooling. These changes are more likely to affect single mothers who may have support networks in place in the local area, benefit from local facilities aimed at single parent households, and benefit from proximity to work arrangements. We know that most single parent households in Enfield are led by women, and so it is reasonable to expect that this change could have an adverse impact in relation to this protected characteristic.

Where possible, the Council will match the household's preference regarding the location of the new home, and additional priority will be given to

vulnerable households.

Where possible the Re-Housing Offer will allow households who are over-occupying to move to an appropriate size home.

### **Mitigating actions to be taken**

Consultation has already begun to understand more about the concerns and needs of residents living in Cheshire and Shropshire House. This intelligence will be used to ensure the right support mechanisms are put in place to ease the transition of residents from their existing home to their new home.

The effects of re-housing will be in part offset by individual support provided to each household, including disturbance and home loss compensation. Where possible, the Council will match the household's preference regarding the location of the new home, and additional priority will be given to vulnerable households.

The council will also begin pro-actively engaging with the schools serving the area to ensure families with school-age children are supported to retain their school access when re-housed.

If required, the Re-Housing Offer will allow households who are over-occupying to move into appropriate size home.

A council engagement team will be deployed to support residents throughout the period of re-housing.

### **Sexual Orientation**

This refers to whether a person is sexually attracted to people of the same sex or a different sex to themselves. Please consider the impact on people who identify as heterosexual, bisexual, gay, lesbian, non-binary or asexual.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people with a particular sexual orientation?

Please provide evidence to explain why this group may be particularly affected.

The decommissioning of the two blocks will not have a differential impact (positive or negative) on people with a particular sexual orientation as allocations will be made based on need rather than household characteristics.

### **Mitigating actions to be taken**

Consultation has already begun to understand more about the concerns and needs of residents living in Cheshire and Shropshire House. This intelligence will be used to ensure the right support mechanisms are put in place to ease the transition of residents from their existing home to their new home.

We will monitor the implementation of the proposed change to ensure that the

decision to decant Shropshire House and Cheshire House will not have a differential impact on people or households with protected characteristics.

### **Socio-economic deprivation**

This refers to people who are disadvantaged due to socio-economic factors e.g., unemployment, low income, low academic qualifications or living in a deprived area, social housing, or unstable housing.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people who are socio-economically disadvantaged?

Please provide evidence to explain why this group may be particularly affected.

c.80% of residents in Cheshire and Shropshire Houses are social housing tenants, with the remaining c.20% leaseholders. A decision to decant the blocks could lead to adverse impacts on residents in relation to the costs associated with moving house. Residents could also be adversely impacted if they cannot afford to rent or buy an alternative home off the estate.

Further, those on lower incomes, or in more unstable employment conditions, may be reliant on specific transport connections to access their place(s) of employment and/or on friends and family to support childcare or other caring responsibilities.

### **Mitigating actions to be taken.**

Consultation has already begun to understand more about the concerns and needs of residents living in Cheshire and Shropshire House. This intelligence will be used to ensure the right support mechanisms are put in place to ease the transition of residents from their existing home to their new home.

A resident offer will put in place upon the decision to decant the blocks which is designed to safeguard residents from the above adverse impact.

This will include:

- Social housing tenants being offered an alternative home on the same tenancy agreement (and rent) as their current home if they move to an existing council property. Should a resident choose to be relocated to a new build property that is only available on London Affordable Rent, then the council will undertake an affordability assessment before confirming the offer, to ensure that resident will not be put at risk of being unable to afford their rent.
- A disturbance payment and home loss payment will be given to all social housing tenants to cover the costs of moving house.
- For resident leaseholders, the council will purchase the property at 10% above the independent valuation of existing homes. The Council will also cover all the reasonable costs associated with leaseholders moving off the estate. This includes solicitors' fees, moving costs and reconnecting appliances. For those resident leaseholders unable to afford to purchase an alternative property off the estate, the council is considering alternative options, such as offsite share equity, by exception.

Resident engagement underway will also seek to clarify the specific needs of residents in relation to work, caring responsibilities or other locational factors which will impact where a resident can move to and will try to match a re-housing offer in



line with those needs.

## Section 4 – Monitoring and review

How do you intend to monitor and review the effects of this proposal?

Who will be responsible for assessing the effects of this proposal?

The council's housing team has already begun to record the specific requirements and concerns of the residents of Cheshire and Shropshire Houses. This insight will be deepened through further engagement upon decision to decant the blocks and then used to form a baseline of need in re-housing.

The subsequent re-housing of residents will be informed by this information and the outcomes of each resident re-housed will be recorded on the central database and reported to the Director Housing and Regeneration and the Cabinet Member for Social Housing on a weekly basis throughout the decant period.

The on-site engagement team will also ensure that the ongoing needs and concerns of residents remaining in situ during the decant period are monitored and addressed.

For resident leaseholders, engagement has begun already to establish personal circumstances that may require additional support for those residents in moving and/or buying a new property of the estate. Again, this will form the baseline from which progress in supporting such residents will be reported weekly to the Director Housing and Regeneration and the Cabinet Member for Social Housing.

## Section 5 – Action plan for mitigating actions

Any actions that are already completed should be captured in the equality analysis section above. Any actions that will be implemented once the decision has been made should be captured here.

Identified Issue	Action Required	Lead officer	Timescale/ By When	Costs	Review Date/Comments
Potential for adverse impacts on residents with additional needs being re-housed	Develop robust understanding of resident need and align to re-housing offer	Karen Lucas	May 2023	Existing staff time	
Language barriers may prevent residents from engaging with or being supported by the re-housing team	Ensure translation of documents available at all times and interpreters available at key engagement events	Karen Lucas	Throughout re-housing period	Existing staff time plus occasional translation services. An allowance of £2,000 a year has been provided within the budget for communication materials	
All residents may be at risk of adverse impacts through the re-housing	Ensure residents are supported through an on-site engagement team and through a resident offer that meets need and follows best practice.	Karen Lucas	Resident offer in place by May 2023.  Engagement team available throughout re-housing period.	See cabinet report for full breakdown of costs involved in resident offer.	