

**Appendix 1:
Recommendations of the October 2015 Housing and Regeneration Scrutiny Panel on Council led Development – March 2017 Update**

	Recommendation	Response (Agreed / Not agreed / Partially agreed)	Who and when	Update – Current Progress, March 2017
1	<p>Within the Council led development strategy, where possible the Council should seek to retain its assets (including freeholds) to maintain its strategic influence in the local housing market and maintain the possibility of developing future income streams. That in respect of those properties deemed “uneconomic” to repair, where possible that these are demolished and rebuilt as part of a wider infill programme</p>	<p>Partially agreed.</p> <p>Where possible this will be the case but it will not always be possible for the Council to retain asset ownership. Delivery of new affordable housing must be financially viable while promoting mixed communities and this means most developments will be a mix of homes for rent, low cost home ownership and private sale and/or rent. Enabling development by other asset owners is an increasingly important element of overall delivery.</p> <p>“Uneconomic” properties are dealt with as part of our long term business plan for the Housing Revenue Account, which is currently being refreshed.</p> <p>The Development Vehicle will also mean that leasehold ownership of identified assets will not be retained by the Council, though the Council is expected to retain freehold of any land transferred into the Vehicle.</p>	<p>Mid 2016</p> <p>Priority 5 Strategic Board</p> <p>Feb 2016</p> <p>Priority 5 Strategic Board</p>	<p>The Council’s phase 1 infill site development programme of 31 affordable dwellings will complete by June 2017, with the first of these new Council homes already handed-over into management.</p> <p>For the Phase 2 infill site programme (c. 70 homes); a competition between Haringey’s Preferred Partner Registered Providers occurred in September/October 2016 to enable funding and development of this portfolio of 20 small sites on a 150 year leasehold basis.</p> <p>The successful RP (Sanctuary) will provide a mix of tenures including a minimum of 50% affordable housing and 100% nominations (including re-lets) to the borough for the rented tenure.</p> <p>Cabinet approval was obtained in January 2017 and start on site is targeted for 2017-18 where feasible</p>

**Appendix 1:
Recommendations of the October 2015 Housing and Regeneration Scrutiny Panel on Council led Development – March 2017 Update**

2	<p>That the Council should adopt a strategic and proactive role in housing delivery, adhering to those principles endorsed within the Elphicke-House Report.</p>	<p>Agreed. The Council's Strategic Housing role is currently under review as part of the Housing Transformation programme and this is likely to lead to a function broadly in line with the principles of the Elphicke-House report.</p>	<p>March 2016 AD for Regeneration</p>	<p>The Council is aligned with the Elphicke-House recommendation for Local Authorities to move from being statutory providers to being Housing Delivery Enablers identifying and unlocking land suitable for development. This is evidenced by the success of neighbourhood planning and communicating a vision for the Tottenham Housing Zones and Wood Green; by the imminent establishment of the HDV where the Council will access private finance and expertise, using its assets to create and unlock housing opportunities; and by the close partnership working with Housing Associations and private developers to enable the achievement of the Council's aim to deliver 1,000 affordable homes in this administration.</p>
3	<p>That the Council develop a unified list of potential development sites from both HRA and GF owned land. Recognising their local knowledge and expertise, members and staff should be actively encouraged to contribute to the continued development of this unified list</p>	<p>Agreed. This is already in place. A comprehensive register of potential sites has been created and is regularly maintained. It is intended to develop this as a database for all relevant staff to use and contribute to.</p>		<p>New potential development sites are added to the register as and when identified. A Housing Supply Task Group was established in 2016 comprising representatives from Housing, Enabling, Corporate Property, Finance and Homes for Haringey with the express purpose of accelerating supply – this provides a ready forum within which such sites can be flagged and investigated. The new Housing Strategy and Commissioning team structure includes 2 Project Managers to help resource bringing potential sites into development</p>

**Appendix 1:
Recommendations of the October 2015 Housing and Regeneration Scrutiny Panel on Council led Development – March 2017 Update**

4	<p>That the Council undertake a detailed assessment of the public and private finance options available for key development sites. This should be undertaken promptly (to obtain best value from current low interest rates) and with the use of specialist financial services. In addition, the Council should continually monitor the various housing grants and alternative funding available to support new build and apply accordingly.</p>	<p>Agreed.</p> <p>Comprehensive options appraisals are conducted for key development sites and finance options are a fundamental part of these appraisals.</p> <p>Identifying and pursuing external funding and grant opportunities will be an explicit role within the new Strategic Housing function. The Tottenham Housing Zone is a successful example of attracting funding into the borough.</p> <p>The proposed Development Vehicle will also be a route to lever-in additional finance.</p>	<p>Ongoing</p> <p>Director of Regeneration Planning & Development</p>	<p>Following Cabinet approvals in November 2015 and February 2017, a number of strategic council-owned sites are proposed for development by the HDV which will lever in private finance and assess other development and finance options.</p> <p>Other key sites within the Tottenham Housing Zone and Wood Green regeneration areas will be developed in partnership with Registered Providers and other private developers.</p> <p>Housing Strategy & Commissioning and the Tottenham team regularly meet with the GLA to discuss details of all new and existing funding streams available to the borough and developers operating within Haringey. The team is currently meeting with all major Registered Partners in the borough to discuss how they might make the most of the recently announced GLA affordable housing funding in Haringey.</p>
5	<p>That the Council should continue to lobby DCLG directly and through other representative organisations (London Councils and GLA) for a relaxation of borrowing limits set within the HRA.</p> <p>In addition, the Council should update and reassess gearing debt</p>	<p>This is happening through London Councils and the GLA.</p> <p>Debt matters generally are dealt with as part of our long term business plan for the Housing Revenue Account, which is currently being refreshed.</p>	<p>Ongoing</p> <p>Cabinet Member for Housing and Regeneration & AD for Regeneration</p> <p>Feb 2016</p> <p>Priority 5</p>	<p>The Cabinet Member for Housing Regeneration and Planning recently met the Housing Minister Gavin Barwell and raised the issues of restrictions on spending RTB receipts and borrowing cap implications. This will also be raised in any response to the Housing White Paper. Haringey is also supporting joint lobbying by London Councils and the GLA to relax HRA rules.</p> <p>The Long-term HRA Business plan will be provided within 2017-18 and will take into</p>

**Appendix 1:
Recommendations of the October 2015 Housing and Regeneration Scrutiny Panel on Council led Development – March 2017 Update**

	ratios on HRA estates to provide further evidence to support future borrowing opportunities.		Strategic Board	account financial implications of High Road West and the HDV
6	The Panel recommend that the Council actively consider joining the LG Develop Scheme to further support council home building ambitions for the borough.	Partially agreed Consideration will be given to the scheme but this must be seen in the context of the proposed Development Vehicle, which will enable funds to be raised for the development of housing.	Ongoing AD for Regeneration	The LG Develop scheme was closed in November 2016, after two years of development - without securing any funding or delivering any homes. Haringey did not participate in the scheme.
7	That, in line with the Elphicke-House Report, the Council actively considers the option of establishing a Housing Delivery Organisation.	Agreed. The Council is actively considering this and on 10 November 2015 Cabinet approved the initiation of the procurement process	Ongoing AD for Regeneration	Following Cabinet approvals in November 2015 and February 2017 the HDV is on track for establishment as a 50/50 Joint Venture Housing Delivery Organisation
8	That the role of Internal Audit Team in the identification of fraudulent RTB applications is fully acknowledged, and this team continues to be fully supported and maintained.	Agreed. It is acknowledged that this is an increasingly important issue and that Internal Audit plays a successful role in combating RTB fraud that should continue. The funding for this to continue is currently in place. It should be noted that there is no ongoing funding for other housing fraud work (e.g. tenancy fraud) and this is being considered as part of the new management	Ongoing AD for Corporate Governance (Monitoring Officer) April 2016 AD for Regeneration	Homes for Haringey's Tenancy Management Officer has been seconded to the Fraud Team to assist with tenancy fraud work, the post being jointly-funded in 2016-17 by the Fraud Team and HfH. The Fraud Team will continue to work with HfH to identify the most effective use of fraud prevention and detection resources across both organisations to enable a joined up approach to be taken, especially where cases of multiple fraud are identified e.g. tenancy fraud, Right to Buy fraud and benefit fraud. The longer term solution for tenancy fraud

**Appendix 1:
Recommendations of the October 2015 Housing and Regeneration Scrutiny Panel on Council led Development – March 2017 Update**

		agreement with Homes for Haringey		prevention and detection, including investigation resources, will be agreed in consultation between the Council and HfH.
9	<p>That the council should adopt the “Hackney model” in building up a core development team to ensure that necessary skills and expertise are available in-house to support the housing development aspirations of the Council.</p> <p>The Council should also</p> <p>(i) consider recruiting to more specialist posts (e.g. commercial adviser/ development modeller) to ensure that best value is obtained from each site</p> <p>(ii) ensure that the best available professional support is available for effective delivery of individual development projects.</p>	<p>Partially agreed.</p> <p>The Council’s Strategic Housing role is currently under review as part of the Housing Transformation programme and this will create a new staffing structure. Professional functions across the council cooperate and pool their expertise and where required specialist external support is used. It is recognised that in house capability in this area needs to be stronger and the current review is intended to help achieve this.</p>	March 2016 AD for Regeneration	<p>The restructure of the Housing function is currently underway. The Head of Service is in place, the new Development and Enabling Manager recruitment is now being finalised. These two posts will then move swiftly to recruit the team of Project Managers and Enabling Officers with the requisite skills to support housing delivery, in particular affordable housing delivery, in the borough.</p>
10	That the forecast increase in development costs is fully factored in to local development plans.	<p>Agreed.</p> <p>The models used for financial modelling and estimating are regularly updated to reflect</p>	Ongoing AD for Regeneration	<p>Financial viability modelling for council development and property acquisitions has recently been reviewed by the Council’s Finance function to ensure that financial feasibility input assumptions reflect changing</p>

**Appendix 1:
Recommendations of the October 2015 Housing and Regeneration Scrutiny Panel on Council led Development – March 2017 Update**

		changing market costs.		market costs
11	That the Council provide further consideration as to how it manages its relationship with development contractors in securing housing development projects. In particular, the Council should ensure full legal and financial service buy-in to proposed development sites.	<p>Agreed.</p> <p>The methods and relationships will differ from one project to another, depending on how the council delivers new housing in future. Both the creation of the proposed Development Vehicle and the review of the in house development function will inform this consideration.</p> <p>Development proposals will not proceed without full legal and financial service buy in and this will rely on timely resources being available.</p>	Ongoing AD for Regeneration	<p>The Council is now looking at reviewing and establishing new key principles for contractor procurement and management .Much of this will be informed by lessons learned from the Phase 1 Housing Infill programme and may include:</p> <ul style="list-style-type: none"> • soft market testing, • new approaches to evaluating bids, • looking at a portfolio approach so that contracts on programmes with multiple sites are let to more than one contractor, and • bringing into the Council the appropriate expertise to better manage and client programme contractors. <p>These principles will also form the basis of the Council’s approach to contractor procurement and management as part of the HDV to ensure its own objectives and requirements in this regard are met.</p>
12	That the Council undertake further work to improve the understanding of the Housing Viability Assessment process, its impact on the provision of affordable homes and possible ways that the Council can influence/	<p>Agreed.</p> <p>The Council is open to improving knowledge on the issue of viability to ensure that best practice is followed, and will be engaging with other councils in regard to this to see what improvements in practice can be</p>	Ongoing AD for Regeneration	<p>The Council is currently considering the new Homes for Londoners Affordable Housing and Viability Supplementary Planning Guidance to the London Plan which proposes the introduction of a threshold approach to viability coupled with detailed review mechanisms to capture any surplus profit as the scheme progresses</p>

**Appendix 1:
Recommendations of the October 2015 Housing and Regeneration Scrutiny Panel on Council led Development – March 2017 Update**

	<p>contribute to such assessments. That the Council consider signing up to planned new initiatives by London Councils to tackle this issue on a regional basis.</p> <p>That the council consider following the example of Islington Council which plans to amend the planning process whereby viability assessments are published in full.</p>	<p>made to secure optimum affordable levels from new developments. The publication of viability assessments is an important contribution to transparency and engagement with affected residents.</p> <p>While it is recognised that Members would like to see greater ability within the Council to influence viability tests affecting affordable housing provision, improving this within the Council will come at a cost. The current practice is to commission this function from a consultant in the determination of planning applications (a cost which is borne by the developer, but deducted from the cost associated with the provision of affordable units). To build these skills in house will require an element of cost in terms of staff, or training and relocation of existing staff.</p>		<p>The Council will provide a formal response to these proposals at the end of February 2017 and will implement resulting best practice emerging from the consultation exercise</p>
13	<p>In the context of and recognising the above elements, it is recommend that an explicit consultation strategy is developed at the outset of</p>	<p>Agreed.</p> <p>This is already in development following the experience gained in Tottenham and with the Phase 1 new build programme.</p>	<p>Ongoing AD for Regeneration</p>	<p>There is a clear commitment to consultation in all the Council's regeneration plans. The experience gained in Tottenham, including resident involvement in Masterplanning and the use of Independent Tenant and Leaseholder Advisors will be taken forward for</p>

**Appendix 1:
Recommendations of the October 2015 Housing and Regeneration Scrutiny Panel on Council led Development – March 2017 Update**

	each estate regeneration/new build to maximise resident engagement and involvement and facilitate regeneration plans.			future regeneration proposals in the borough. The Estate Renewal, Rehousing and Payments Policy - adopted by Cabinet in July 2016 - sets out borough-wide expectations for compensation to leaseholders and tenants and Right to Return for tenants on regeneration schemes. These are fully in line the recommendations of the Mayor of London in his current consultation on Best Practice in regeneration.
14	It is recommended that those agencies which will eventually manage new build are actively involved at the planning and design stage to ensure that specifications are conducive to effective and sound housing management principles.	Agreed. This is the case with the Phase 1 new build programme, where Homes for Haringey have been involved and advised on housing management principles to inform planning and design, and will be the case in any future phases.	Ongoing AD for Regeneration	The good practice in Phase 1 was continued with the phase2 infill sites programme and will be built into future development processes.