

**Report for:** Cabinet Member Signing (Special Urgency)

**Title:** Brownfield Land Release Fund Grant Funding Agreement

**Report authorised by:** David Joyce, Director of Housing Regeneration and Planning

**Lead Officer:** Robbie Erbmann, Assistant Director of Housing

**Ward(s) affected:** Tottenham Hale, St Ann's

**Report for Key Decision:** Key Decision

## **1. Describe the issue under consideration**

- 1.1. This paper asks the Cabinet Member for House Building, Placemaking and Development to approve entering into an agreement with the Ministry of Housing, Communities and Local Government (MHCLG) to receive grant funding of £3,866,214.00 from the Brownfield Land Release Fund to support the delivery of Council development schemes at Ashley Road Depot and Gourley Triangle.
- 1.2. Ashley Road Depot is a Council-owned site expected to deliver 275 new homes, which is expected to be 60% affordable by habitable room – with all of those homes at council rents. It is also a designated site under the Tottenham Area Action Plan (2017), and forms part of the transformation of the Tottenham Hale Urban Centre.
- 1.3. Gourley Triangle is an important Site Allocation (SS4) within the Council's Tottenham Area Action Plan (2017), which presents an opportunity for mixed use development which will aim to secure the replacement of the existing employment floorspace, alongside new council rented homes.

## **2. Cabinet Member Introduction**

- 2.1 I am pleased to support the acceptance of this grant which will help the Council to deliver high quality placemaking and desperately-needed homes at these two complex sites.
- 2.2 The Ashley Road depot site is currently the largest direct delivery site in the Council's pipeline – with the capacity for 275 homes. It will also bring much needed family housing to the borough, with 65% of the council homes to have 3 or more bedrooms. The architects are also targeting a zero-carbon development – which, if successful, would be the first of its size within the borough.
- 2.3 The Gourley Triangle site is an opportunity to increase employment space and maximise opportunities for local creativity through a 'Creative Enterprise Zone.' It will also set high standards for sustainability and deliver secure, high quality and affordable housing which residents are proud to call home.

### **3. Recommendations**

3.1. It is recommended that the Cabinet Member for House Building, Placemaking and Development:

3.1.1. Approves the acceptance by the Director of Finance of the receipt from the MHCLG of £3,866,214.00 in capital funding through the Brownfield Land Release Fund to pay for infrastructure works, including decontamination, utilities works and associated infrastructure provision, at the Ashley Road Depot site and at Gourley Triangle.

3.1.2. Approves that the grant sum is added to the HRA Budget.

### **4. Reasons for decision**

4.1. The decision to accept the grant would support the delivery of these two significant housing development schemes. Ashley Road Depot is currently expected to deliver 275 new homes in the Tottenham Hale Ward, completing in 2024. Gourley Triangle will deliver 201 homes and 73,873sqft of commercial space in the St Ann's Ward.

### **5. Alternative options considered**

5.1. The Council could decline the grant allocation. This option was rejected because the Council would have to fund the gap of £3,886,214 to be able to deliver these schemes.

5.2. The Council could decide not to build homes on these sites. This option was rejected because the Council is committed to delivering a new era of Council house building.

### **6. Background information**

6.1. The Council has bid successfully for MHCLG funding to meet the remediation and other infrastructure costs needed to deliver these two schemes at Ashley Road Depot and at Gourley Triangle.

6.2. The grant would be paid from the Brownfield Land Release Fund as a single payment on or before 31st October 2021.

6.3. The conditions of the funding are an expectation that it will enable the 'release of the land' for housing by end March 2024 or earlier. This is defined as:

- (a) The execution of an unconditional contract, development agreement or building license with a private sector partner or a freehold or leasehold transfer (whichever is sooner) in respect of Project Land;
- (b) The transfer of Project Land to a development vehicle owned, or partly owned, by the Grant Recipient; or
- (c) (if (a) and (b) above have not occurred) The point at which development of Project Land begins on site. Given the Haringey context, this is the definition that we would be expecting to work to.

- 6.4. The Council must provide three reports per year to the MHCLG via the One Property Estate partnership against six milestones:
- Date of tender issue for infrastructure works
  - Date of commencement of infrastructure works
  - Date of completion of infrastructure works
  - Date of land release (appropriation and start of works on site)
  - Date of start of ground work for foundations of new homes
  - Date of practical completion of the last new home
- 6.5. If the terms of the Agreement are not met, then grant would have to be paid back in part or in full to MHCLG within 30 days of notification.

## **7. Contribution to strategic outcomes**

- 7.1. Accepting this grant will help to enable the Council to deliver new Council homes, including supported housing. This supports the 2019-2023 Borough Plan, which has as its first priority a safe, stable and affordable home for everyone, whatever their circumstances. Outcome 1 of that housing priority in the Borough Plan states *“we will work together to deliver the new homes Haringey needs, especially new affordable homes”*, with specific objectives to *“deliver 1,000 new Council homes at Council rents by 2022”* and to *“secure the delivery of supported housing that meets the needs of older, disabled and vulnerable people in the borough”*.
- 7.2. Gourley Triangle will deliver a cohesive and sustainable employment-led development which will allow the area to flourish as a creative working district, whilst delivering much needed council homes and improving the public realm for the benefit of residents, businesses and surrounding communities.
- 7.3. The following masterplan principles for development at the Gourley Triangle were approved at Cabinet in July 2021:
- Promoting Gourley Triangle at Work
  - Embracing Placemaking and Improved Connectivity
  - Climate and Sustainability at its Heart
  - A Community Wealth Building Approach
  - Delivery of Council Rented Homes

## **8. Statutory Officers comments (Chief Finance Officer (including procurement), Head of Legal and Governance (Monitoring Officer), Equalities)**

### **Finance**

- 8.1. Ashley Road Depot and Gourley Triangle schemes are both contained in the HRA business and financial plan.
- 8.2. Both schemes will benefit from grant funding, thus acceptance and receipt of this grant will go a long way in facilitating these schemes.

### **Procurement**

- 8.3. Procurement comments are not applicable for grants, property and land transactions as they sit outside of the Procurement Contract Regulations.

## **Legal**

- 8.4. The Head of Legal and Governance (Monitoring Officer) has been consulted in the preparation of the report.
- 8.5. In accordance with Contract Standing Order 17.1 receipt of grants from an external body valued at £500,000 or more may only be approved by Cabinet.
- 8.6. The Head of Legal and Governance (Monitoring Officer) sees no legal reasons preventing Cabinet from approving the recommendations in the report.

## **Equality**

- 8.7. The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
  - Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
  - Advance equality of opportunity between people who share those protected characteristics and people who do not
  - Foster good relations between people who share those characteristics and people who do not.
- 8.8. The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.
- 8.9. This decision will enable the Council to enter into an Agreement with the MHCLG to receive grant funding of £3,866,214. This will be used to support the delivery of its development schemes at Ashley Road Depot and Gourley Triangle. There are no specific equalities implications arising from this specific decision. It is noted that receipt of funding will support the Council in its delivery of its Housing strategic objectives, including to supply more council homes at council rents, which is likely to have an overall positive equalities impact for those with protected characteristics.

## **9. Use of Appendices**

Appendix 1: Brownfield Land Release Fund Grant Funding Agreement

## **10. Local Government (Access to Information) Act 1985**

None.