




**Haringey Council**

<b>Report for:</b>	<b>Cabinet</b>	<b>Item Number:</b>	
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<b>Title:</b>	<b>Housing Investment and Estate Renewal Strategy</b>
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<b>Ward(s) affected: All</b>	<b>Report for: Key Decision</b>
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**1. The Issue Under Consideration**

- 1.1 As the Strategic Housing Authority the Council is currently reviewing its Housing Strategy, which includes housing stock investment, new development, allocation and rent policy and controls and interventions related to Private Housing. Studies are being undertaken to inform housing supply and demand in the borough as well as a consultation on the future of the Council's tenancy strategy which is due to report to Cabinet in 2014.
- 1.2 The Housing Investment and Estate Renewal Strategy is an important element of the overarching Housing Strategy. It concentrates on existing housing stock and opportunities to develop and improve existing housing and housing land. The strategy aims to set out how



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the Council will create homes and communities that are fit for the 21<sup>st</sup> century, that are energy efficient and that meet tenant and resident expectations. It is set within the context of the Housing Revenue Account (HRA) 30-year business plan, it focuses on:

- investing in the existing Council housing in an efficient and informed manner;
  - reducing carbon emissions and fuel poverty;
  - embedding and financing a Council new build programme;
  - making best use of HRA assets including through new build development opportunities and estate renewal;
  - supporting the housing renewal element of the physical regeneration of Tottenham;
  - creating mixed and balanced communities that contribute to positive social outcomes;
  - contributing to growth, including bringing jobs, apprenticeships and supply chain benefits through construction work;
  - engaging local residents in key investment and regeneration decisions that affect their homes and estates.
- 1.3 The provision of good quality Council housing plays an important role in meeting housing need and creating mixed and balanced communities with residents, members and Council officers expecting delivery of the highest standards of quality. There are however significant challenges with, for example, some homes being of poor construction quality; some estates including too many one and two-bed properties; some areas suffering from anti-social behaviour; and leasehold or freehold ownerships (through right-to-buy) adding additional complexity to estate renewal proposals.
- 1.4 Since 2007, the Council has invested £154m as part of the Haringey Decent Homes programme, to bring as many Council dwellings as possible up to a decent standard. Even after delivering this substantial quantity of improvement work there is still stock that does not reach the standards expected. In addition the funding available is not able to provide for environmental improvements or for the development of new Council housing or estate renewal.
- 1.5 Recent Government announcements and changes to national housing policy have resulted in a significant shift in the landscape of social housing provision, with local authorities receiving more freedom and flexibilities over how they invest in their housing stock.
- 1.6 This report makes recommendations for the approach the Council should take to its housing stock over the medium to long-term and asks



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members to adopt the attached Housing Investment and Estate Renewal Strategy which includes the following strategic objectives:

1. To improve existing housing stock by efficient and informed investment, maximising resident well-being and satisfaction, promoting low energy consumption and delivering environmental sustainability.
  2. To increase the supply of high quality homes, delivered through development opportunities on Council owned land and through estate renewal.
  3. To create mixed and balanced communities by incorporating a range of housing tenures, including new Council homes, to meet a variety of local needs.
  4. To enable local people and businesses to benefit from jobs, apprenticeships and supply chain involvement through construction work.
- 1.7 This report should be read as part of a portfolio of documents whose programmes and objectives are interrelated. The documents include the Tottenham Strategic Regeneration Framework Update, the Tottenham Area Action Plan (AAP), the Draft Site Allocations DPD and the High Road West Regeneration Project (Master Plan Option) Consultation Feedback and Next Steps.

## **2. Cabinet Member Introduction**

- 2,1 I see housing as central to building a successful future for our residents across Haringey. High quality housing is not just an issue of bricks and mortar, but of people and communities.
- 2,2 To help our residents fulfil their ambitions for themselves and their families, we want to ensure that more people can live in high quality homes. This report sets out our ambitious plans to see more new homes built on council land across the borough. It also sets out our commitment to work with residents on medium and large housing sites to explore options for long term improvements.
- 2,3 Delivering the priorities set out in the Housing Investment and Estate Renewal Strategy has the potential to bring thousands of new or improved homes.
- 2.4 We look forward to working with residents, tenants, leaseholders and our partners to make the strategy a reality and deliver the housing that Haringey needs.



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### **3. Recommendations:**

It is recommended that Cabinet:

- 3.1 Adopts the Housing Investment and Estate Renewal Strategy attached at Appendix A and agrees the strategic objectives of the strategy set out at 5.10 of this report.
- 3.2 Notes and agrees the proposed approach to housing estate renewal and new build development set out in Section 8.
- 3.3 Agrees, for those estates described in section 8.5 and listed at Appendix B, that consultation is started with the affected residents, including their involvement in the selection of masterplanners and/or architects, to identify the best solutions for renewal/regeneration.
- 3.4 Agrees to progress an initial programme of new build Council housing, on under-utilised Council owned land (listed at Appendix C), funded through the capital programme.
- 3.5 Agrees that authority is delegated to the Cabinet Member for Regeneration and Housing, in conjunction with the Director of Corporate Resources and the Director of Place and Sustainability, to progress each of the sites included in the initial programme (Appendix C) to planning application and construction tender subject to satisfactory capacity and financial analysis.
- 3.6 Notes the consultation recently completed across the High Road West area that is proposed as part of the Area Action Plans for Tottenham and agrees that further consultation should include other housing estates in Tottenham which face investment and other challenges, including Northumberland Park estate.
- 3.7 Agrees a feasibility study is undertaken to establish regeneration and/or investment opportunities at Noel Park and solutions for estate improvements are presented for consideration by Cabinet during 2014.

### **4. Alternative Options Considered**

- 4.1 Restricting investment in the Haringey Decent Homes programme would allow an increase in the number of new affordable homes that could be built. The numbers delivered however would be relatively small compared to the large number of residents who would then be living in potentially sub-standard accommodation with lower energy efficiency and higher heating costs.



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- 4.2 The new build opportunities on infill/small sites and associated with estate renewal across the borough, in particular in the Tottenham area, may need to be undertaken in partnership with others. The Council is currently assessing the range of opportunities to determine the best way to deliver affordable housing; this may differ location by location.
- 4.3 There is the potential for stock transfer to offer financial solutions to otherwise non-fundable housing projects; however the recent freedoms and flexibilities arising from HRA self-financing have given a wider range of financial opportunities for the Council to consider. Analysis is now underway to establish the financial viability of a number of schemes, the outcomes and potential solutions for which will be reported back for Cabinet consideration where appropriate.

## 5. Housing Investment Options – A Strategic Approach

- 5.1 Haringey's Corporate Plan, 'One Borough, One Future', includes two priorities directly related to housing investment and the Council's residents:
- ***Deliver regeneration at priority locations across the Borough:*** by delivering a cohesive programme of physical, social and economic renewal for Tottenham; and by delivering major physical change projects in key regeneration sites across the borough;
  - ***Ensure that everyone has a decent place to live:*** by increasing the supply of new homes including affordable housing; ensuring private rented sector housing meets required standards; and increasing the energy performance of homes and tackling rising fuel costs.
- 5.2 The Council's existing Housing Strategy 2009-2019 sets a vision for the borough's neighbourhoods to become places *'that people choose to live in with a balance of different types of homes which offer quality, affordability and sustainability for current and future generations'*. In today's financial climate, providing affordable housing is essential across all tenures and the provision of Council housing, both existing and new, has a vital role to play in creating mixed and balanced communities that support this vision.
- 5.3 The Borough Investment Plan (BIP) published in 2010 sets out the housing and regeneration challenges facing the borough, notably the need to:
- *maintain and improve the existing housing stock by investing in decent homes, estate renewal and regeneration;*
  - *maximise the supply of new housing to meet housing needs;*



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- *build mixed and balanced communities, including an aim to reduce the east/west polarisation.*
- 5.4 The Council is currently producing a suite of development plan policy documents that will drive its placemaking strategies for the borough and further inform the Local Plan (adopted early in 2013). Given the Council's responsibility as the Strategic Housing Authority for the borough, placemaking strategies will necessarily be informed by housing development and supply and demand studies which are currently underway, as well as the emerging Regeneration Strategy for Tottenham.
- 5.5 Together with changes to HRA financing, flexibilities introduced as part of the Localism Act 2012 and recent government changes to the use of right to buy receipts, the council will need to refresh its existing Housing Strategy during 2014.
- 5.6 Maximising investment in the current housing stock and capitalising on opportunities for development and improvement are important themes of the emerging work; proposals for an approach are now set out in the attached strategy document (Appendix A) for consideration.
- 5.7 The strategy aims to protect and enhance existing Council housing while maximising the opportunities for new homes and in particular new affordable homes. The Council is keen to promote and deliver a range of housing products including new socially rented homes and 'housing ladder' type products to support local working people, often on low incomes.
- 5.8 The approaches outlined in this strategy support the draft Strategic Regeneration Framework for Tottenham, and suggest that the Council considers new and improved housing opportunities that could arise from major estate renewal following consultation with local residents.
- 5.9 Development of the strategy has been informed by the long-term aims and aspirations of the Council to:
- meet its obligations to maintain its existing housing stock, through investment, at the Haringey Decent Homes Standard;
  - improve stock condition data and stock profiling to ensure on-going investment is targeted at those properties and estates where there are high levels of compatibility to known demand and where this is not the case that investment is targeted at renewal/regeneration;
  - build new Council homes for rent and invest in estate renewal to improve the quality of homes and the local environment. This will



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include green and open spaces and housing that promotes low energy consumption and environmental sustainability;

- promote a high quality of life for people of all ages and backgrounds, in safe, cohesive and healthy neighbourhoods, supported by a range of high quality housing and excellent community facilities;
- enable people to maximise economic opportunity in Haringey with support for training, employment and enterprise, and provide housing tenures which help those in work to remain in the borough;
- promote the creation of mixed and balanced communities that support the regeneration of Tottenham and maximise the number of affordable homes for rent in the west of the borough.

5.10 In seeking to deliver the principles set out above the following strategic objectives are proposed:

1. To improve existing housing stock by efficient and informed investment, maximising resident well-being and satisfaction, promoting low energy consumption and delivering environmental sustainability.
2. To increase the supply of high quality homes, delivered through development opportunities on Council owned land and through estate renewal.
3. To create mixed and balanced communities by incorporating a range of housing tenures, including new Council homes, to meet a variety of local needs.
4. To enable local people and businesses to benefit from jobs, apprenticeships and supply chain involvement through construction work.

## **6. Background**

6.1 Like other boroughs Haringey's investment in both maintaining and building Council housing had been restricted for several decades. As a way of overcoming an estimated national backlog of repairs in local authority housing of £19bn the Government introduced the Decent Homes Programme in 2000. This set a national 'decency' standard to which all social rented homes should be improved. Meeting the Decent Homes Standard became the priority for many local authority investment strategies and mechanisms were introduced to enable local authorities to access additional Government funding. This included the creation of Arm's-length Management Organisations (ALMOs).



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- 6.2 In April 2006, Haringey Council set up an ALMO, Homes for Haringey, and in 2007 was allowed to access additional Decent Homes funding when it was awarded two stars by the Audit Commission. Government funding for Decent Homes will end in 2014/15, at which time a total of circa £207m will have been invested in Haringey's housing stock. Despite this investment it is estimated that some 26% of Council homes will not meet the Decent Homes Standard by March 2015.
- 6.3 Prior to April 2012, housing finance was controlled by Central Government through the HRA national subsidy system, through which Government pooled all rents collected by local authority housing services in England and re-distributed the money according to a national formula. This allowed the Government to control spending on the management and maintenance of local authority housing and to set national priorities, such as the Decent Homes Standard.
- 6.4 In April 2012, the Government introduced HRA self-financing. Under this system of funding, councils retain all of the rental income they receive from their tenants and make decisions at a local level on how the money should be invested. In addition, councils have been given more freedom and flexibility to borrow against the value of their housing stock to increase investment potential. Under the arrangements put in place as part of the self-financing package each council has a Government calculated 'borrowing cap'. Haringey is allowed to borrow up to an additional £56m. Almost all of this will be required to achieve the Council's commitment to deliver the Haringey Decent Homes Standard across the existing stock.
- 6.5 The Council is no longer subject to annual housing investment funding decisions by Government and is able to plan on a longer-term basis. This brings a number of benefits:
- there is greater certainty of funding and investment capacity over the short, medium and long-term;
  - decisions can be taken more strategically, balancing the need to invest in maintaining and improving existing stock with the need to invest in delivering more affordable housing;
  - priorities can be determined at a local level;
  - the Council is able to plan ahead for works and procure them more efficiently.
- 6.6 The medium term financial plan shows that over the next ten years there is a predicted investment requirement of circa £680m required to bring the outstanding non-decent properties, plus emerging non-decent properties, up to the agreed Haringey Decent Homes Standard and maintain them at that level.





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- 6.7 Decent Homes work does not provide for the investment needed in those dwellings that have 'complex' issues or where the stock can never be made decent. Examples of such situations are the non-traditional 'Orlit' homes at Park Grove; or at Noel Park where the temporary rear additions ('pods') have reached the end of their useful life and the conservation status of the estate introduces higher costs to repair or replace building components.
- 6.8 Undertaking any of a wide range of additional potential works (such as enhancing the Haringey Decent Homes Standard, undertaking additional energy efficiency measures, or implementing larger scale external estate works) will increase investment costs significantly and therefore create a funding gap, unless alternative funding arrangements can be utilised, for example where working with energy suppliers would lever-in increased funding for carbon emission reductions.
- 6.9 Following the freedoms introduced through HRA self-financing the council has an opportunity to address decent homes work in existing stock, to address the more challenging requirements of uneconomical estates as well as look at infill and estate renewal opportunities. In considering its approach the Council should take in to account current supply and demand side issues as well as the existing mix of housing across the borough.
- 6.10 In common with other London authorities, Haringey is faced with a severe imbalance in the demand and supply of housing and in particular affordable housing. This is coupled with an increasingly unaffordable private sector in both the rented and owner-occupier markets. Demand for housing has reached such high levels in Haringey that to address both projected newly arising need and the current backlog, an annual programme of over 4,000 additional affordable homes would be required.
- 6.11 Within the borough 17% of households live in council accommodation, with 10% in Housing Association properties, 30% live in private rented units and 40% are owner occupiers. The proportion of owner occupation is greater in the west, with concentrations of social rented housing in the east of the borough, reflecting a wider social and economic polarisation. Over 60% of all social housing in the borough is located in the Tottenham wards and some 30% of Haringey's population live in wards ranked among the 10% most deprived in England.



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6.12 The Council has an opportunity to protect existing Council homes and to create mixed and balanced communities by intervention through estate renewal and by influencing the tenure of new build homes. Such an approach is supported by the London Plan which promotes tenure characteristics as a material consideration in development planning and implementation. The aim is to reduce the east/west disparity by building more affordable rented homes in the west and a range of ownership and affordable products in the east, particularly focussing on housing ladder type products to help address the very evident imbalance of tenures and meeting the need for low cost home ownership.

## **7. Housing Investment (including the Haringey Decent Homes Standard)**

7.1 The Council has recently approved a substantial package of works for 2014/15 and 2015/16, which will bring most previously identified non-decent homes up to the Haringey Decent Homes Standard. These capital works are being funded from the HRA and revenue contributions from rents. This investment does not include the cost of: additional measures to reduce carbon emissions and alleviate fuel poverty or making improvements to the shared external areas of estates or other public realm, which are not included in the current Haringey standard, nor does it include for properties which are becoming non-decent because elements of the properties are deteriorating or becoming old. The forward programme of investment in the medium term financial plan, referred to earlier in this report, does however allow for bringing these emerging non-decent properties up to the Haringey Decent Homes Standard and then maintaining all the improved homes at that level.

7.2 The Council has undertaken considerable work to understand the energy efficiency of the homes it owns. The analysis has established the retrofit measures necessary to achieve an increase in energy rating to SAP 80 (the 'Standard Assessment Procedure' rating accepted as a proxy for affordable warmth). This is from the current average of 60 for the Council's stock and compares to the national average of 57. The investment needed is estimated at £129m, with only a very small proportion of this likely to be obtained through external funding. Council officers are investigating ways of leveraging-in more external support.

## **8. Development Opportunities and Estate Renewal**

8.1 There are a number of estates where the cost of improving the properties to reach the Haringey Decent Homes Standard is uneconomical and others with different challenges, where estate renewal is the only practical solution. The Council has also identified a



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number of infill and small sites where new homes might be built on Council owned land. In both estate renewal and infill/small developments the opportunity exists to help address the proportion of Haringey's housing that makes poor use of available land area and which has negatively affected the quantum and quality of the housing provided. Taking advantage of this opportunity would have a number of positive place shaping implications as the new housing would integrate better with Haringey's surrounding physical environment, improve the living environment of the residents and support the borough's existing and future social demographic, including the provision of larger family homes.

**8.2 The advantages of the estate renewal approach are set out below:**

- it aims to regenerate and re-invigorate estates and locations where the existing homes are uneconomical to maintain over the 30-year housing investment period, or where other challenges exist such as: high concentrations of poor quality one and two-bed social rented homes often leading to serious overcrowding; or areas where it is not practical to significantly improve the surrounding environment without radical change;
- it offers the opportunity to optimise the development potential of Council owned under-used land by building additional homes;
- it enables investment to be focussed on improving the condition of stock that is viable over the long-term through the demolition and disposal of stock that is uneconomical to include in the Council's 30-year housing investment plan;
- it promotes long term sustainability by providing residents with safe, new, modern homes which meet their housing needs in mixed and balanced neighbourhoods. Residents in overcrowded conditions can be rehoused in larger accommodation, vulnerable tenants can be given additional support and residents can play an active role in how their new neighbourhoods are designed and managed;
- it provides opportunities to put in place the social infrastructure required to make successful and sustainable communities, providing new community facilities, new parks and open spaces, new business and employment opportunities as well as additional school places;
- it can resolve the serious problems that arise from poor building and estate layout, such as dead-ends, areas which are not overlooked and are unsafe, poor access to and from the homes and isolation from the surrounding neighbourhood;
- it will focus on those estates where the benefits arising from renewal would justify the intervention. This could include estates



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where, through full or partial renewal, there is opportunity to influence the tenure balance of neighbourhoods by increasing the number of affordable, private rented sector, housing ladder type products or market sale homes.

- 8.3 It is proposed that the Council's approach to development opportunities and estate renewal be classified under the three broad headings of: Infill/small; Medium size estates; and Large estates. Details of each as they affect Haringey are set-out in the sub-sections below:
- 8.4 **Infill/small residential opportunities:** Where the Council owns land assets that could be used to provide new build housing these should be considered like any other land development opportunity and assessed for residential potential. If capacity and financial assessments indicate new homes are a practical outcome for any of the identified sites these can be progressed on the basis of statutory planning consultation requirements. Design work and feasibility assessments for a number of such sites (listed at Appendix C) are currently underway. Allocated capital funding and right-to-buy receipts allow the Council to proceed to construction of new build homes across a number of these locations, subject to planning permission and procurement of contractors. A previous audit has identified a number of other sites for future consideration but funding has not yet been identified beyond the sites at Appendix C.
- 8.5 **Medium size estate renewal:** It is proposed that feasibility studies (including capacity and financial assessments) will be undertaken on those estates: that are uneconomical to include in the Council's 30-year housing investment plan; that have potential for additional homes by optimising land usage; or that have specific challenges. These challenges are wide ranging, from poor quality buildings and lack of internal or external space, to social or economic factors that can affect larger areas; all warrant intervention by the Council to improve the living conditions and the life chances of the residents who live there. Those locations that have already been identified as falling into these categories are listed at Appendix B.
- 8.6 The approach outlined will allow for 'placemaking'; improving the mix and balance of communities by influencing tenures; and delivering new homes growth where Council land is under-utilised. It is proposed that consultation now begins with affected residents so that they can help select masterplanner/architect partners to establish the best solutions for all those involved. Initial appraisals are expected to be available during 2014. At that point it will be possible to determine the appropriate method of delivery and if additional internal resources will



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be required. It is anticipated that detailed reports will be brought to Cabinet for each of these projects due to the range of approaches required.

- 8.7 The financial assessment for each scheme will identify projects that are financially viable and others that are loss making. The nature of funding arrangements and partnerships that may need to be considered will form a significant element of the future reports to Cabinet.
- 8.8 **Large estate renewal:** This area of activity is particularly relevant to the regeneration of Tottenham but also includes Noel Park. It focuses on the Council's desire to improve the life chances and living conditions of Haringey residents from the most deprived areas of the borough and capitalise on other complementary investments already proposed through the regeneration programme. Given the scale of the challenge in Tottenham in relation to investment the sub-sections below set out a brief overview of approaches that might be taken and should be read alongside the much more detailed work included in other Cabinet reports specific to Tottenham.
- 8.9 Larger estates in Tottenham suffer from high quantities of one and two-bed accommodation that has led to a disproportionate number of single vulnerable residents and serious over-crowding. These estates have also typically suffered from: **low levels** of employment, educational attainment, household income and life expectancy; and **high levels** of crime and benefit dependency. They include examples of poor quality stock that is uneconomical to improve to an acceptable standard and areas where it is impractical to improve the surroundings and setting of the homes (the 'place') without significant intervention. Renewal of housing estates in Tottenham needs to be seen as part of the Council's wider placemaking responsibilities associated with the overall regeneration of Tottenham.
- 8.10 Resident engagement is already underway as part of the development of the Strategic Regeneration Framework for Tottenham. In order to further inform the Council's approach to housing improvement and renewal in Tottenham, it is proposed that specific consultation is carried out related to the improvement of housing conditions across all large estates in Tottenham during 2014. Given the level of investment in the Northumberland Park estate area, it is suggested that residents of that estate and surrounding areas are invited to work with the council, on potential masterplanning solutions for the area.



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- 8.11 For housing renewal incorporated within the wider Tottenham Regeneration Programme the Council will need to consider a range of funding and delivery arrangements. Funding for these larger projects is only likely to be possible outside the HRA borrowing cap and may involve Special Purpose Vehicles (SPVs) allowing investment from the private sector and underwriting of borrowing by Government. Options for how larger projects might come forward will be examined during 2014.
- 8.12 At Noel Park many of the houses fall short of minimum acceptable standards, with a significant number failing decency and/or HHSRS (Housing Health & Safety Rating System) requirements as they do not have adequate space or appropriate layouts in kitchens and bathrooms. The temporary pods added in the 1970s to overcome some of the space issues are at the end of their useful life and works are required across the estate to protect the conservation standards and correct planning breaches. There is also overcrowding and high levels of unemployment. The estate forms a significant element of the wider Noel Park ward and the high crime rates along the High Road have some negative impacts within the estate.
- 8.13 In respecting the conservation status of Noel Park the Council will need to implement an innovative approach to improve the properties and the locality. Physical building works; re-modelling of properties to create improved facilities; and changed tenure mix to secure increased income to cover the investment costs, are possible interventions. There will also need to be a wider approach beyond the physical measures to overcome the social and economic challenges faced by the estate. Council officers will bring forward a holistic plan for the improvement of Noel Park that addresses these challenges in 2014.
- 8.14 The Council's new build and estate renewal programmes will attempt to provide a mix of tenure types to help create local, and eventually wider area, balance. This will include housing ladder products aimed at providing entry to home ownership and discounted rents for people on lower incomes as well as new socially rented homes. Ladder type products will include a range of tenures that support local working families and individuals to rent or buy in areas that would not otherwise be accessible to them. This can be for example at rent levels below market rent (at say 80%) for which grant can be secured; for homes initially rented but where some of the rent is held to act as a contribution to a later purchase – known as 'rent-to-buy'; or through shared ownership and shared equity. The range of housing ladder products may be particularly suitable for helping to influence tenure mix in the north east of the borough.



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## **9. Comments of the Chief Finance Officer and Financial Implications**

- 9.1 In 2011 the Council commissioned PWC to prepare a thirty year business plan for the years 2012-43. This plan identified that the HRA could generate sufficient income from rents over thirty years to meet all its capital needs and make significant surpluses that would be available for investment in new stock or to pay off debt. This plan assumes that there would be an above inflation rent increase each year and that all existing stock would continue to be maintained to the Haringey Decent Homes Standard.
- 9.2 In the medium term however over the first ten years the income generated was not sufficient to meet all capital needs with a gap of approximately £52m. Under the self-financing regime the Council is able to borrow up to £56m so it would be possible to bridge this gap.
- 9.3 This report proposes a set of principles that differ from the assumptions on which the 30-year plan was based. In particular, members approved a new build programme in the 2013/14 Medium Term Financial Plan and this report reaffirms that commitment and sets out the initial sites to be considered for that programme. It also announces the intention to undertake an estate renewal programme which would affect both the rental income stream and capital needs.
- 9.4 At this stage the Council is setting out a statement of strategic intent rather than a fully costed implementation plan and much further work is needed in order to draw up a new financial plan. Initially consultants have been commissioned to carry out full financial appraisals of sites and schemes and these will be consolidated together with refreshed projections of income and expenditure for the rest of the stock to produce an overall plan.
- 9.5 In the short-term, funding for the new build programme and investment in existing stock to meet the Haringey Decent Homes Standard will be included in the HRA capital programme. A fuller discussion of the funding arrangements will be provided in the Medium Financial Planning report to Cabinet but it is likely to include a mixture of rental income, right-to-buy receipts and some additional borrowing (within the government set limit).
- 9.6 As noted elsewhere in the report, (paragraph 8.11) the large scale housing renewal required as part of the wider Tottenham Regeneration is likely to require very high levels of investment beyond what will be available within the HRA borrowing limits.



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- 9.7 Options for accessing investment outside of the HRA including use of Special Purposes Vehicles, Private Sector investors and Government support will be explored. This is likely to involve consideration of complex financial and legal issues for which specialist advice must be sought.
- 9.8 The Council is currently retaining right-to-buy Receipts to use to build or acquire new social housing. These must be used within three years of retention in association with match funding or returned to Government with an interest penalty charge. The construction of new build homes will make use of receipts retained last year but there are currently no developed plans for use of further receipts. The requirement to provide match funding could also restrict the funding available for investment elsewhere. It is important that plans are developed – alongside the Housing Investment and Estate Renewal Strategy.

## **10. Head of Legal Services and Legal Implications**

- 10.1 The Head of Legal Services has been consulted on the preparation of this report, and makes the following comments.
- 10.2 The report raises a number of issues which if implemented will need specific legal advice and guidance as they are being implemented. There are a number of risks highlighted in this report which will need to be properly managed in order to reduce any potential liability to the Council.
- 10.3 The housing related comments would be that where regeneration or estate renewal is proposed there is statutory duty to consult with tenants, leaseholders and other key stakeholders. More specifically, where the intention is to recover the costs of any works by means of service charges, leaseholders will have to be consulted under s20 of the Landlord and Tenant Act 1985.
- 10.4 If demolition and renewal of an estate was to be proposed, the Council would need to re-house existing Council tenants and purchase the leasehold properties to secure vacant possession of the estate land. Any tenant or leaseholder forced to move as a result of a renewal or regeneration scheme would be entitled to a home loss payment.
- 10.5 All procurements which are the subject of this report will need to comply with the Public Contracts Regulations 2006 (the Regulations) where applicable. Contracts governed by the Regulations will need to follow a European tender exercise in accordance with one of the procedures set out in the Regulations or make use of a Framework





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Agreement which has already been tendered in Europe. The thresholds for contracts affected by the Regulations are currently £4,348,350 for works contracts and £173,934 for service contracts.

- 10.6 Procurement processes will also need to comply with the Council's Contract Standing Orders. Contracts which are above £250,000 in value will need to be approved by Cabinet. Contracts of a lesser value may be awarded by a director under their delegated powers.
- 10.7 Where there are any disposals, the Council will have to comply with the statutory obligations governing the disposal based on the purpose for which the land is held at that time.
- 10.8 The setting up of special purpose vehicles will require special considerations as there are various types of vehicles that can be used. Specific legal advice must be obtained on the best way to achieve delivery including a business case for it.
- 10.9 The preparation of the Tottenham Area Action Plans (AAP) and the site Allocations DPD both of which will incorporate elements of the High Road West Regeneration Project Master Plan are addressed in the specific reports before Cabinet.
- 10.10 The AAP and DPD when adopted will form part of the statutory development plan against which any subsequent applications for planning permission within the relevant areas would be tested.

## **11. Equalities and Community Cohesion Comments**

- 11.1 Strategy and Business Intelligence have been consulted in the preparation of this report and have commented as follows:
- 11.2 This report covers a vast range of complex issues relating to the future of social housing in Haringey. It recognises the need to improve existing housing stock to a minimum Decent Homes Standard and at the same time increase the supply of affordable housing in Haringey as part of wider physical, social and economic regeneration of neighbourhoods.
- 11.3 It is a key report and a full equality impact assessment (EqIA) of the strategy document is being carried out to identify and consider the implications it may have for the Council's duty under section 149 of the Equality Act 2010, in particular, the impact on persons identified and protected by sections 4 to 12 of that Act.



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- 11.4 An EqlA on the strategy is nearing completion and at this stage, shows that potentially, all the outcomes of the Housing Investment and Estate Renewal Strategy will have positive impact on all groups in terms of improved quality housing for all households in Haringey who are either existing Council tenants or will become Council tenants in future, whatever their characteristics within the meaning of the Equality Act.
- 11.5 It also shows that the estate renewal aspect of the strategy could produce differential negative impact on the different equality segments (protected characteristics) of the population that would be affected in terms of disruptions to their lives. It may also impact on existing personal and community relationships in the affected estates. The completed EqlA will identify and consider the nature of the possible effects, including mitigation measures where possible. This is not possible at this stage until consultation and engagement activities at the individual estate renewal locations have been undertaken.
- 11.6 It is recognised that issues will emerge as individual programmes to implement the strategy are rolled out including possible differential impacts on people. That is why the EqlA process should be a continuous one, in order to identify and deal with any equality issues that may become apparent as individual programmes are implemented.
- 11.7 Many of the key elements of the strategy focus on the east of the borough. The proposals should help deliver better housing and other social outcomes for residents of the borough, especially in the east, which as well as having a high level of deprivation, also has a high concentration of black and minority ethnic communities and other groups who possess characteristics protected by the Equality Act 2010.

## **12. Policy Implication**

- 12.1 The proposals and strategic objectives set out in the report and the appended Housing Investment and Estate Renewal Strategy support the priorities under the 'opportunities for all' outcome in Haringey's Corporate Plan, to:
- **Deliver regeneration at priority locations across the Borough:** by delivering a cohesive programme of physical, social and economic renewal for Tottenham; and by delivering major physical change projects in key regeneration sites across the borough;
  - **Ensure that everyone has a decent place to live:** by increasing the supply of new homes including affordable housing; ensuring private rented sector housing meets required standards; and increasing the energy performance of homes and tackling rising fuel costs.



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- 12.2 The Council's existing Housing Allocations Policy allows for the discretionary decanting of council tenants in cases where redevelopment requires; as such no change to the policy is required. Where decanting of existing council tenants is required for medium to large estate renewal to occur, as per sections 8.5 to 8.14 of this paper, detailed options for decanting should be drawn up and form part of early consultation with affected residents.
- 12.3 The strategy contains provision for the development of a residents' charter which will set out the Council's commitment to supporting tenants, leaseholders and other local residents through the challenges of estate renewal. It highlights that the charter is likely to require specific local adjustments to suit the circumstances of the individual estate renewal projects. Subsequently, policy in relation to affected tenants and leaseholders may vary, dependant on local needs and issues arising through resident engagement.
- 12.4 As the report also points out the Council will need to refresh its existing Housing Strategy during 2014 to reflect issues such as HRA self-financing, flexibilities introduced as part of the Localism Act 2012, changes to the use of right to buy receipts and local priorities.
- 12.5 The Housing Investment and Estate Renewal Strategy is in line with the objectives of the Council's Local Plan Strategic Policies, specifically SP 1 Managing Growth, SP 2 Housing, SP 4 working towards a Low Carbon Haringey, SP 9 Improving skills and training to support access to jobs and community cohesion and inclusion. These policies and those in emerging local development documents set out the Council's objectives of delivering mixed and balanced communities across the borough; good quality affordable housing which meets the needs of the borough's residents; energy efficient and well designed housing and neighbourhoods; and improving access to jobs and training.
- 12.6 Future planning decisions made in response to the objectives set out in the Strategy will be made in line with the Strategic Policies listed in paragraph 12.5, relevant saved UDP policies, and in line with Development Management Policies, Site Allocations and policies set out in the Tottenham Area Action Plan, when adopted.

### **13. Reasons for the Decision**

- 13.1 To make best use of existing Council homes and assets.
- 13.2 To maximise the provision of a range of housing tenures across the borough and contribute to the creation of mixed and balanced communities.



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13.3 To improve energy efficiency and alleviate fuel poverty.

**14. Use of Appendices**

- 14.1 Appendix A – Housing Investment and Estate Renewal Strategy
- Appendix B – Medium Size Sites for Estate Renewal Consultation
- Appendix C – Infill/Small Sites for Capacity and Financial Analysis

**15. Local Government (Access to Information) Act 1985**

15.1 There are no exempt elements to the report or strategy.



**Haringey** Council

## **Appendix A**

# **Housing Investment and Estate Renewal Strategy**



**Haringey** Council

# Housing Investment and Estate Renewal Strategy

Place and Sustainability

2013 – 2023

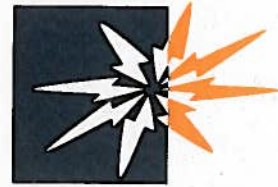


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## Place and Sustainability

### Document Control

<b>Version</b> 1	<b>Status</b> November 2013 Draft Strategy	<b>Author</b> Paul Munday, Housing Regeneration, Place and Sustainability
<b>Document Objectives:</b> <ol style="list-style-type: none"><li>1. To improve existing housing stock by efficient and informed investment, maximising resident well-being and satisfaction, promoting low energy consumption and delivering environmental sustainability.</li><li>2. To increase the supply of high quality homes, delivered through development opportunities on Council owned land and through estate renewal.</li><li>3. To bring forward a range of affordable housing tenures, including new Council homes, to meet a variety of local needs, helping to create mixed and balanced communities.</li><li>4. To enable local people and businesses to benefit from jobs, apprenticeships and supply chain involvement through construction work.</li></ol>		
<b>Intended Recipients:</b> Haringey Residents and Businesses		
<b>Monitoring Arrangements:</b> Through the Council's Housing Renewal Executive Board and the Board of Homes for Haringey		
<b>Training/Resource Implications:</b> As at November 2013 Decent Homes investment is resourced through Homes for Haringey and will not require further staff or facilities. Estate renewal and Council new build housing do not have full-time permanent resources, although proposals for using Property Services and for resources within Place and Sustainability are being developed.		
<b>Approving Body and Date Approved</b>	Cabinet November 2013	
<b>Date of Issue</b>	28 <sup>th</sup> November 2013	
<b>Scheduled Review Date</b>	November 2015	
<b>Lead Officer</b> <i>(a contact person who can assist with inquiries about the policy and any other tools or supporting materials that will help the policy to be understood and successfully implemented)</i>	Michael Kelleher / Paul Munday Place and Sustainability	
<b>Path and file name</b>	TBC	



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## Foreword

I see housing as central to building a successful future for our residents across Haringey. High quality housing is not just an issue of bricks and mortar, but of people and communities.

To help our residents fulfil their ambitions for themselves and their families, we want to ensure that more people can live in high quality homes. This strategy sets out our ambitious plans to see more new homes built on council land across the borough. It also sets out our commitment to work with residents on medium and large housing sites to explore options for long term improvements.

Delivering the priorities set out in this document has the potential to bring thousands of new or improved homes.

We look forward to working with residents, tenants, leaseholders and our partners to make this strategy a reality and deliver the housing that Haringey needs

**Cllr Alan Strickland**  
**Cabinet Member for Regeneration and Housing**





**Haringey Council**

## 1. Executive Summary

### 1.1. Introduction

1.1.1. This Housing Investment and Estate Renewal Strategy sets out how the Council will create homes and communities that are fit for the 21<sup>st</sup> century, that are energy efficient and that meet tenant and resident expectations. It is set within the context of the Housing Revenue Account (HRA) 30-year business plan but focuses on:

- investing in the existing Council housing in an efficient and informed manner;
- reducing carbon emissions and fuel poverty;
- embedding and financing a Council new build programme;
- making best use of HRA assets including through new build development opportunities and estate renewal;
- supporting the housing renewal element of the regeneration of Tottenham;
- creating mixed and balanced communities that bring positive social outcomes;
- contributing to growth, including bringing jobs, apprenticeships and supply chain benefits through construction work;
- engaging local residents in the decisions that affect their homes and estates.

### 1.2. Strategic Context

1.2.1. This strategy takes in to account the Haringey Corporate Plan, the Council's Housing Strategy and the Borough Investment Plan. To reflect the long-term aims and aspirations of the Council four strategic objectives have been developed:

1. To improve existing housing stock by efficient and informed investment, maximising resident well-being and satisfaction, promoting low energy consumption and delivering environmental sustainability.
2. To increase the supply of high quality homes, delivered through development opportunities on Council owned land and through estate renewal.
3. To create mixed and balanced communities by incorporating a range of housing tenures, including new Council homes, to meet a variety of local needs.
4. To enable local people and businesses to benefit from jobs, apprenticeships and supply chain involvement through construction work.

### 1.3. Housing in Haringey

1.3.1. In common with other London authorities, Haringey is faced with a severe imbalance in the demand and supply of affordable housing. This, coupled with an increasingly unaffordable private sector in both the rented and owner-occupier markets, has led to a large number of families living in temporary accommodation. For many households with priority need there is a shortfall of larger, family sized homes.

1.3.2. The Council owns over 20,000 housing properties which are managed by Homes for Haringey, the Council's ALMO (Arm's-Length Management Organisation).



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#### **1.4. Housing Investment**

- 1.4.1. Since 2007 Homes for Haringey has been investing considerable sums on behalf of the Council with the aim of delivering the Haringey Decent Homes Standard to as many Council homes as possible. In 2013 the Council approved a substantial package of works for 2014/15 and 2015/16, which will bring most previously identified non-decent homes up to the Haringey Decent Homes Standard.
- 1.4.2. Much progress has been made to improve the energy efficiency of Council homes through the Haringey Decent Homes programme, in particular this has included efficient heating systems, double glazed windows and insulation. Considerable work has been undertaken to understand the energy efficiency of the Council's stock and to establish the investment necessary and funding available to help reduce fuel poverty.

#### **1.5. Development Opportunities and Estate Renewal**

- 1.5.1. For those estates where the cost of improving the properties to reach the Haringey Decent Homes Standard is uneconomical and for others where there are different challenges the Council will consider estate renewal. The Council has also identified a number of infill and small sites where new homes might be built on Council owned land. Taking advantage of these opportunities has a number of positive place shaping implications as the new housing will integrate better with Haringey's surrounding physical environment, improve the living environment of the residents and support the borough's existing and future social demographic, including through the provision of larger family homes.
- 1.5.2. Consultation will be undertaken with affected residents so that they can help select masterplanner/architect partners to establish the best solutions for their estates. Consideration will need to be given to the funding arrangements and partnerships that may be required.
- 1.5.3. For the large housing renewal projects incorporated within the wider Tottenham Regeneration Programme funding is only likely to be possible outside the HRA and may involve Special Purpose Vehicles (SPVs) allowing investment from the private sector and underwriting of borrowing by Government.
- 1.5.4. The Council's new build and estate renewal programmes will attempt to provide a mix of tenure types to help create local, and eventually wider area, balance. To help towards delivering mixed and balanced communities the Council's offer will include 'housing ladder products' aimed at providing entry to home ownership and discounted rents for people on lower incomes.

#### **1.6. Delivery**

- 1.6.1. The strategy concludes with an explanation of how resident engagement, performance management and funding arrangements will contribute to the successful delivery of new build homes and estate renewal, and help create mixed and balanced communities.



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## 2. Introduction

2.1. This strategy sets out how the Council will create homes and communities that are fit for the 21<sup>st</sup> century, that are energy efficient and that meet tenant and resident expectations. It is set within the context of the HRA 30-year business plan but focuses on:

- investing in the existing Council housing in an efficient and informed manner;
- reducing carbon emissions and fuel poverty;
- embedding and financing a Council new build programme;
- making best use of HRA assets including through new build development opportunities and estate renewal;
- supporting the housing renewal element of the physical regeneration of Tottenham;
- creating mixed and balanced communities that contribute to positive social outcomes;
- contributing to growth, including bringing jobs, apprenticeships and supply chain benefits through construction work;
- engaging local residents in key investment and regeneration decisions that affect their homes and estates.

## 3. Strategic Housing Context

### 3.1. Links to Corporate Plans and Strategies

3.1.1. The Council is the responsible authority for all types of housing in the borough, private, registered provider and Council owned. It holds a strategic housing duty and through effective management of residential and other planning applications aims to influence 'place making' by improving local environments and promoting developments that deliver high quality of life for local people, of all ages and backgrounds, in mixed and balanced communities. This report is set in the context of meeting this wide range of responsibilities.

3.1.2. The Housing Investment and Estate Renewal Strategy aims to protect and enhance existing Council housing while maximising the opportunities for new homes and in particular new affordable homes. The Council is keen to deliver appropriate mixes of tenure to support local working people, often on low incomes. The concept of providing 'housing ladder' type products covering a range of intermediate tenures is included within the strategy.

3.1.3. Haringey's Corporate Plan, 'One Borough, One Future', 2013/14 to 2014/15 includes two priorities directly related to housing investment and the Council's residents:

- *Deliver regeneration at priority locations across the Borough: by delivering a cohesive programme of physical, social and economic renewal for Tottenham; and by delivering major physical change projects in key regeneration sites across the borough;*



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- *Ensure that everyone has a decent place to live: by increasing the supply of new homes including affordable housing; ensuring private rented sector housing meets required standards; and increasing the energy performance of homes and tackling rising fuel costs.*
- 3.1.4. The Council's Housing Strategy 2009-2019 sets a vision for the borough's neighbourhoods to become places *'that people choose to live in with a balance of different types of homes which offer quality, affordability and sustainability for current and future generations'*. In today's financial climate, providing affordable housing is essential across all tenures and the provision of Council housing, both existing and new, has a vital role to play in creating mixed and balanced communities that support this vision.
- 3.1.5. The Borough Investment Plan (BIP) published in 2010 sets out the housing and regeneration challenges facing the borough, notably the need to:
- *maintain and improve the existing housing stock by investing in decent homes, estate renewal and regeneration;*
  - *maximise the supply of new housing to meet housing needs;*
  - *build mixed and balanced communities, including an aim to reduce the east/west polarisation.*
- 3.1.6. In developing this strategy, Haringey Council's Capital Strategy and Corporate Asset Management Plan have been taken into account, they include the following statements:
- *Haringey Council's Capital Strategy sets out the approach for optimising available capital resources to maximise support for the corporate objectives and service priorities;*
  - *The main aim of Haringey Council's Corporate Asset Management Plan is to ensure that the council only holds property assets that are required in direct or indirect support of service priorities and corporate objectives and that these are managed efficiently and effectively to demonstrate good use of resources and value for money.*
- 3.1.7. This strategy takes into account the long-term aims and aspirations of the Council, set out in the documents above, to:
- meet its obligations to maintain its existing housing stock, through investment, at the Haringey Decent Homes Standard;
  - improve stock condition data and stock profiling to ensure on-going investment is targeted at those properties and estates where there are high levels of compatibility to known demand and where this is not the case that investment is targeted at renewal/regeneration;
  - build new Council homes for rent and invest in estate renewal to improve the quality of homes and the local environment, including green spaces and housing that promotes low energy consumption and environmental sustainability;



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- promote a high quality of life for people of all ages and backgrounds, in safe, cohesive and healthy neighbourhoods, supported by a range of high quality housing and excellent community facilities;
- enable people to maximise economic opportunity in Haringey with support for training, employment and enterprise, and provide housing tenures which help those in work to remain in the borough;
- promote the creation of mixed and balanced communities that support the regeneration of Tottenham and maximise the number of affordable homes for rent in the west of the borough.

3.1.8. In seeking to deliver the principles set out above the following strategic objectives have been developed:

1. To improve existing housing stock by efficient and informed investment, maximising resident well-being and satisfaction, promoting low energy consumption and delivering environmental sustainability.
2. To increase the supply of high quality homes, delivered through development opportunities on Council owned land and through estate renewal.
3. To create mixed and balanced communities by incorporating a range of housing tenures, including new Council homes, to meet a variety of local needs.
4. To enable local people and businesses to benefit from jobs, apprenticeships and supply chain involvement through construction work.

## 4. Background

### 4.1. Supply and Demand

- 4.1.1. Haringey is a diverse and fast changing borough. Some 65% of the population overall, and three quarters of the young people, are from minority ethnic backgrounds; more than 150 languages are spoken.
- 4.1.2. Approximately 17% of Haringey households live in Council accommodation, with 10% in Housing Association properties, 30% live in private rented units and 40% are owner occupiers. The proportion of owner occupation is greater in the west, with concentrations of social rented housing in the east of the borough, reflecting a wider social and economic polarisation. Over 60% of all social housing in the borough is located in the Tottenham wards and some 30% of Haringey's population live in wards ranked among the 10% most deprived in England.
- 4.1.3. In common with other London authorities, Haringey is faced with a severe imbalance in the demand and supply of affordable housing. This, coupled with an increasingly unaffordable private sector in both the rented and owner-occupier markets, has led to a large number of families living in temporary accommodation. For these reasons for many households with priority need there is a severe shortfall of larger, family sized properties.



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- 4.1.4. In August 2013 the average house price in Haringey was £394,118 making the owner-occupier sector unavailable to the majority of residents. Demand for housing has reached such high levels in Haringey that to address both projected newly arising need and the current backlog, an annual programme of over 4,000 additional affordable homes would be required.
- 4.1.5. Within the existing council stock, 15% of households require one or more extra bedrooms to relieve overcrowding. These issues present a challenge for Haringey, in terms of community cohesion and stock management.
- 4.1.6. The social and economic polarisation is particularly evidenced by the high proportions of social rented properties in the east of the borough. The Council aims to create mixed and balanced communities by intervention through estate renewal and influencing the tenure of new build homes. Such an approach is supported by the London Plan which promotes tenure characteristics as a material consideration in development planning and implementation. The aim is to reduce the east/west disparity by building more affordable rented homes in the west and a range of ownership and affordable products in the east, particularly focussing on housing ladder type products to help address the very evident imbalance of tenures and meeting the need for low cost home ownership.

#### 4.2. Council Housing Portfolio

- 4.2.1. The Council owns 20,634 housing properties: 14,707 tenanted general needs, 953 supported housing, 444 Community Good Neighbour Scheme and 4,530 leasehold. The properties are managed by the Council's ALMO, Homes for Haringey. There are also 116 leased and co-operative properties.

**Table of tenanted stock by archetype as at 1<sup>st</sup> April 2013**

Pre 1945 small terrace houses	1,332
Pre 1945 semi detached	203
All other pre 1945 houses	2,087
1945-64 small terrace houses	20
1945-64 large terrace/semi/detached	99
1965-74 houses	465
Post 1974 houses	720
Non-traditional houses	114
Pre 1945 low rise flats	907
Post 1945 low rise flats	865
Medium rise flats	6,426
High rise flats	2,651
Bungalows	215
<b>TOTAL</b>	<b>16,104</b>



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#### **4.3. Stock Condition**

- 4.3.1. In 2003 a stock condition survey found that the stock had generally been well maintained on a day to day basis, but had lacked sustained capital investment. As a result, there were a significant number of major components that had reached, or were reaching, the end of their useful life and either needed replacement or would require replacement soon. Major components include: roofs, windows, doors, kitchens, bathrooms and heating systems.
- 4.3.2. Since commencement of the Haringey Decent Homes programme in 2007 Homes for Haringey have extended the detailed internal surveys to now cover some 60% of the stock. This has informed the Council in much more detail about refurbishment requirements and, combined with the knowledge of out-turn costs, has allowed the management and prioritisation of the programme of works to target zero non-decency by March 2016 against a starting point of April 2008, excluding some of the properties that are now in the estate renewal programme.

#### **4.4. Estate Plans and Housing Assets**

- 4.4.1. Homes for Haringey has undertaken a comprehensive audit of all the external spaces on the Council's estates and established individual Estate Plans. The plans identify major repairs and potential improvements with cost estimates and priorities, which, following consultation with residents, can be used for formulating estate environmental programmes.
- 4.4.2. A Housing Asset Audit has identified infill/small sites within housing estates that have potential for development, disposal or alternative use. These sites form the basis of the infill/small estate renewal programme explained later in this strategy.

### **5. Housing Investment (including Haringey Decent Homes Standard)**

#### **5.1. Context**

- 5.1.1. In April 2006, Haringey Council set up an ALMO, Homes for Haringey, and in 2007 was allowed to access Decent Homes funding when it was awarded two stars by the Audit Commission. Government funding for Decent Homes will end in 2014/15, at which time a total of circa £207m will have been invested in Haringey's housing stock. Despite this investment it is estimated that around 26% of Council homes will not meet the 'Haringey Decent Homes Standard' by March 2015.
- 5.1.2. Prior to April 2012, housing finance was controlled by Government through the HRA national subsidy system, through which Government pooled all rents collected by local authority housing services in England and re-distributed the money according to a national formula.
- 5.1.3. In April 2012, the Government introduced HRA self-financing. Under this system of funding, councils retain all of the rental income they receive from their tenants and make decisions at a local level on how the money should be invested. In addition,



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councils have been given more freedom and flexibility to borrow against the value of their housing stock to increase investment potential. Under the arrangements put in place as part of the self-financing package each Council has a Government calculated 'borrowing cap'. Haringey is allowed to borrow up to an additional £56m. Almost all of this will be required to achieve the Council's commitment to deliver the Haringey Decent Homes Standard across the existing stock.

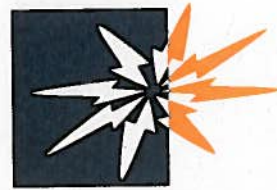
## **5.2. Current and Future Investment**

- 5.2.1. The medium term financial plan shows that over the next ten years there is a predicted investment requirement of circa £680m required to bring the outstanding non-decent properties, plus emerging non-decent properties, up to the agreed Haringey Decent Homes Standard and maintain them at that level.
- 5.2.2. The Decent Homes programme does not include the investment needed in those dwellings that have 'complex' issues or where the stock can never be made decent. Examples of such situations are the non-traditional 'Orlit' homes at Park Grove; or at Noel Park where the temporary rear additions ('pods') have reached the end of their useful life and the conservation status of the estate introduces higher costs to repair or replace building components. Such locations are dealt with in the estate renewal section of this strategy.
- 5.2.3. In 2013 the Council approved a substantial package of works for 2014/15 and 2015/16, which will bring most previously identified non-decent homes up to the Haringey Decent Homes Standard. These capital works are being funded from the HRA and revenue contributions from rents.
- 5.2.4. The approved investment does not include for the cost of additional measures to reduce carbon emissions and alleviate fuel poverty, or for making improvements to the shared external areas of estates or other public realm, these areas of work are not covered by the Haringey Decent Homes Standard. In addition the approved programme does not include for properties which have become (since 2008), or are becoming, non-decent because major elements are deteriorating or becoming old. As a result there will be a number of properties awaiting work immediately after the completion of the approved programme in March 2016. Future HRA projections indicate that funding will be available to bring all the identified properties up to the Haringey Decent Homes Standard and maintain them at that level, subject to future Cabinet approval.

## **5.3. Energy Efficiency**

- 5.3.1. Much progress has been made to improve the energy efficiency of Council homes and help tackle fuel poverty through the Haringey Decent Homes programme. This includes the installation of efficient heating and hot water systems, roof and cavity wall insulation and double glazed windows. In addition Homes for Haringey has secured external funding to deliver a range of retrofit works. These measures have included: external solid wall insulation; hard-to-treat cavity wall insulation; and flat roof insulation. Solar photovoltaic arrays have also been installed on several sites.





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5.3.2. Improving energy efficiency can make a significant difference to the well-being of residents. The incidence of fuel poverty for those on low incomes with high heating costs is known to contribute to mental health issues, excess winter deaths, social isolation and poor educational attainment.

5.3.3. The Council has undertaken considerable work to understand the energy efficiency of the homes it owns. The analysis has established the retrofit measures necessary to achieve an increase in energy rating to SAP 80 (the 'Standard Assessment Procedure' rating accepted as a proxy for affordable warmth). This is from the current average of 60 for the Council's stock and compares to the national average of 57. The investment needed is estimated at £129m, with only a very small proportion of this likely to be obtained through external funding. Council officers are investigating ways of leveraging-in more external support.

## 6. Development Opportunities and Estate Renewal

### 6.1. Context

6.1.1. There are a number of estates where the cost of improving the properties to reach the Haringey Decent Homes Standard is uneconomical and others with different challenges, where estate renewal is the only practical solution. The Council has also identified a number of infill and small sites where new homes might be built on Council owned land. In both estate renewal and infill/small developments the opportunity exists to help address the proportion of Haringey's housing that makes poor use of available land area and which has negatively affected the quantum and quality of the housing provided. Taking advantage of this opportunity would have a number of positive place shaping implications as the new housing would integrate better with Haringey's surrounding physical environment, improve the living environment of the residents and support the borough's existing and future social demographic, including the provision of larger family homes.

6.1.2. Through HRA self-financing, the Localism Act and other changes to national housing policy and funding, including allowing the part re-use of right to buy receipts, local authorities have more freedom and flexibility than before to invest in key housing activities. These freedoms and access to funding allows the Council to develop new build Council homes for the first time in several decades. This strategy sets out the Council's housing ambitions with an expectation of commencing on-site with construction of the first new build homes during 2014.

6.1.3. The advantages of an estate renewal programme are set out below:

- it aims to regenerate and re-invigorate estates and locations where the existing homes are uneconomical to maintain over the 30-year housing investment period, or where other challenges exist such as: high concentrations of poor quality one and two-bed social rented homes which has led to serious overcrowding; or areas where it is not practical to significantly improve the surrounding environment without radical change;
- it offers the opportunity to optimise the development potential of Council owned under-used land by building additional homes;



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- it enables investment to be focussed on improving the condition of stock that is viable over the long-term through the demolition and disposal of stock that is uneconomical to include in the Council's 30-year housing investment plan;
- it promotes long term sustainability by providing residents with safe, new, modern homes which meet their housing needs in mixed and balanced neighbourhoods. Residents in overcrowded conditions can be re-housed in larger accommodation, vulnerable tenants can be given additional support and residents can play an active role in how their new neighbourhoods are designed and managed;
- it provides opportunities to put in place the social infrastructure required to make successful and sustainable communities, providing new community facilities, new parks and open spaces, new business and employment opportunities as well as additional school places;
- it can resolve the serious problems that arise from poor building and estate layout, such as dead-ends, areas which are not overlooked and are unsafe, poor access to and from the homes and isolation from the surrounding neighbourhood;
- it will focus on those estates where the benefits arising from renewal would justify the intervention. This could include estates where, through full or partial renewal, there is opportunity to influence the tenure balance of neighbourhoods by increasing the number of affordable, private rented sector, housing ladder type products or market sale homes.

6.1.4. A viability model has been developed by the Council and Homes for Haringey taking in to account financial out-turns, building quality, development opportunity and socio-economic criteria. For estates being considered for intervention there will be a viability outcome that suggests significant opportunity exists to achieve one or more of the following: replace uneconomical or poor quality properties; maximise the use of existing assets; improve the living environment for residents; assist in developing mixed and balanced communities.

## 6.2. Classification of Development Opportunities and Estate Renewal Works

6.2.1. Within Haringey the Council's approach to development opportunities and estate renewal is classified under the three broad headings of: Infill/small; Medium size estates; and Large estates. Details of each are set-out in the sub-sections below:

6.2.2. **Infill/small residential opportunities:** Where the Council owns land assets that could be used to provide new build housing these should be considered like any other land development opportunity and assessed for residential potential. If capacity and financial assessments indicate new homes are a practical outcome for any of the identified sites these will be progressed on the basis of statutory planning consultation requirements. Design work and feasibility assessments for a number of such sites are being undertaken on an on-going basis. Allocated capital funding and right-to-buy receipts allow the Council to proceed to construction of new build Council homes at a number of these locations, subject to planning permission and procurement of contractors. A previous audit has identified a number of other sites for on-going consideration.



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- 6.2.3. **Medium size estate renewal:** Feasibility studies (including capacity and financial assessments) will be undertaken on those estates: that are uneconomical to include in the Council's 30-year housing investment plan; that have potential for additional homes by optimising land usage; or that have specific challenges. These challenges are wide ranging, from poor quality buildings and lack of internal or external space, to social or economic factors that can affect larger areas; all warrant intervention by the Council to improve the living conditions and the life chances of the residents who live there.
- 6.2.4. The approach outlined will allow for 'placemaking'; improving the mix and balance of communities by influencing tenures; and delivering new homes growth where Council land is under-utilised. Consultation will be undertaken with affected residents so that they can help select masterplanner/architect partners to establish the best solutions for all those involved. Capacity and financial assessments for each scheme will identify projects that are financially viable and those that are loss making. Consideration will need to be given to the funding arrangements and partnerships that may be required.
- 6.2.5. **Large estate renewal:** This area of activity is particularly relevant to the regeneration of Tottenham but also includes Noel Park. It focuses on the Council's desire to improve the life chances and living conditions of Haringey residents from the most deprived and challenged areas of the borough. The sub-sections below set-out a brief overview of approaches:
- 6.2.6. Larger estates in Tottenham suffer from high quantities of one and two-bed accommodation that has led to a disproportionate number of single vulnerable residents and serious over-crowding. These estates have also typically suffered from: **low levels** of employment, educational attainment, household income and life expectancy; and **high levels** of crime and benefit dependency. They include examples of poor quality stock that is uneconomical to improve to an acceptable standard and areas where it is impractical to improve the surroundings and setting of the homes (the 'place') without significant intervention. Renewal of housing estates in Tottenham needs to be seen as part of the Council's wider placemaking responsibilities associated with the overall regeneration of Tottenham.
- 6.2.7. The Tottenham Regeneration Programme is bringing forward a strategic approach to physical, social and economic change which includes a major estate renewal programme to improve existing homes, increase the number of family sized dwellings and introduce a more balanced community overall.
- 6.2.8. For housing renewal incorporated within the wider Tottenham Regeneration Programme the Council will need to consider a range of funding and delivery arrangements. Financing of these larger projects is only likely to be possible outside the HRA borrowing cap and may involve Special Purpose Vehicles (SPVs) and developers, allowing investment from the private sector and underwriting of borrowing by Government.



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6.2.9. Across all large estates in Tottenham the Council aim is to consult with the residents to establish their aspirations for long-term improvements to the local environment and their life opportunities.

6.2.10. At Noel Park many of the houses fall short of minimum acceptable standards, with a significant number failing decency and/or HHSRS (Housing Health & Safety Rating System) requirements as they do not have adequate space or acceptable layouts in kitchens and bathrooms. The temporary pods added in the 1970s, to overcome some of the space issues, are at the end of their useful life and works are required across the estate to protect the conservation standards and correct planning breaches. There is also overcrowding and high levels of unemployment. The estate forms a significant element of the wider Noel Park ward and the high crime rates along the High Road have some negative impacts within the estate.

6.2.11. In respecting the conservation status of Noel Park the Council will need to implement an innovative approach to improve the properties and the locality. Physical building works; re-modelling of properties to create improved facilities; and changed tenure mix to secure increased income to cover the investment costs, are possible interventions. The Council's aim is not only to deal with the physical issues at Noel Park but also to provide solutions to the social and economic challenges of the estate and the wider area.

6.2.12. Estate renewal across medium sized and large estates requires complex consultation, masterplanning, financial appraisals, detailed designs, planning applications and very often compulsory purchase orders. These processes will take many months or possibly years to implement before construction works commence. Each project will have different financial viability outcomes, each will therefore require individual consideration. There may be opportunities to work with partners and/or use cross-subsidy from financially successful projects to support those that generate a loss.

### **6.3. Housing Ladder Products as Part of Estate Renewal**

6.3.1. The Council's new build and estate renewal programmes will attempt to provide a mix of tenure types to help create local, and eventually wider area, balance. This will include 'housing ladder products' aimed at providing entry to home ownership and discounted rents for people on lower incomes. These homes include a range of tenures that support local working families and individuals to rent or buy in areas that would not otherwise be accessible to them. This can be for example at rent levels below market rent (at say 80%) for which grant can be secured; for homes initially rented but where some of the rent is held to act as a contribution to a later purchase – known as 'rent-to-buy'; or through shared ownership and shared equity. Shared ownership being part purchase, part rent with the option of gradually purchasing the rented element. Shared equity being a discounted purchase, typically at 60% or 70% of market value, where the Council holds a charge over the remaining equity. The Council's investment is either returned to the Council on the sale of the property (with the appropriate proportion of any increase or decrease in property value) or alternatively remains with the property to help the next purchaser.



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## **7. Strategic Objectives**

### **7.1. The Strategic Objectives are:**

1. To improve existing housing stock by efficient and informed investment, maximising resident well-being and satisfaction, promoting low energy consumption and delivering environmental sustainability.
2. To increase the supply of high quality homes, delivered through development opportunities on Council owned land and through estate renewal.
3. To create mixed and balanced communities by incorporating a range of housing tenures, including new Council homes, to meet a variety of local needs.
4. To enable local people and businesses to benefit from jobs, apprenticeships and supply chain involvement through construction work.

### **7.2. Challenges and Risks**

7.2.1. There are significant challenges and risks to the strategic objectives being successfully achieved. Key amongst these are:

- the availability of funding to allow the long-term investment requirements across a range of competing demands;
- the operational complications of delivering new build homes, estate renewal and energy improvement proposals alongside achieving the Haringey Decent Homes Standard;
- the need to build effective partnerships with contractors and the supply chain to deliver value for money for residents and the Council;
- maintaining the trust and engagement of the residents.

7.2.2. Appendix 4 identifies a range of risks which need to have on-going reviews as the strategic objectives are implemented and the substantial programme of works progresses.

### **7.3. Delivering the Objectives**

7.3.1. The sub-sections below set out the detail to support each of the strategic objectives. At the end of each sub-section a list of outcomes indicate how the Council and the public can judge the level of success in delivering the individual objectives.

**7.4. Objective 1: To improve existing housing stock by efficient and informed investment, maximising resident well-being and satisfaction, promoting low energy consumption and delivering environmental sustainability**

7.4.1. Haringey's Decent Homes programme started in 2007 and in 2013 the Council approved a substantial package of works for 2014/15 and 2015/16, which will bring



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most previously identified non-decent homes up to the Haringey Decent Homes Standard. These capital works are being funded from the HRA and revenue contributions from rents.

- 7.4.2. There have been high levels of resident satisfaction with the programme, with an average rating of 96%.
- 7.4.3. Cost efficiencies and Value for Money have been achieved through involvement as a founder member of the Supply Chain Management Group (SCMG), which has introduced agreed Basket Rates and Schedule of Rates for the major elements of component replacement under the Decent Homes programme. This provides cost savings and added value, including extended warranties and aftercare services to both service users and other stakeholders.
- 7.4.4. From the Supply Chain Management process, it is anticipated that a total saving of between £15m and £20m will have been realised by the completion of the 2014 to 2016 programme.
- 7.4.5. Appendix 2 sets out the annual rate at which homes have been and will be made decent between 2007 and 2016. The table reflects changes in stock level due to right-to-buys.
- 7.4.6. The changes to the Decent Homes programme introduced by Government from 2011/12, included removal of any funding earmarked for environmental improvements. The proposals developed from the Estate Plans had to be put on hold. There is in place however an estate improvement programme which covers items such as lighting, door entry, signage and removal of bin stores, rather than major remodelling/landscaping works.
- 7.4.7. The Council has adopted a target to reduce carbon emissions in the borough by 40% by 2020 against a 2005 baseline. Plans for achieving this are set out in the Greenest Borough Strategy (2009) and the Carbon Commission report and action plan of 2012. The Carbon Commission outlines how the borough can create employment and economic opportunities, and increase well-being, through the work that is required to achieve the carbon target.
- 7.4.8. Given that about 50% of carbon emissions in Haringey are estimated to come from domestic energy use, and with 17% of the borough's stock being Council homes, investment in energy efficiency measures and encouraging residents to cut their energy use, helps tackle fuel poverty as well as contributing to carbon reduction in the borough.
- 7.4.9. Works currently being undertaken as part of the Haringey Decent Homes Standard that will contribute to achieving the Council's objective include:
  - heating and hot water systems;
  - double glazed windows;
  - loft and cavity wall insulation.



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7.4.10. The Council will seek funding opportunities such as ECO to encourage an increasing number of retrofits and energy improvements. It is accepted that key to implementing successful energy efficiency measures is gaining resident buy-in, this involves not only the physical works to the property but also support from front line staff at Homes for Haringey to help make the lifestyle changes that are integral to achieving significant energy use reductions.

7.4.11. The Council is committed to improving the impact of its operations in other areas of environmental sustainability and is working with contractor partners to achieve high levels of waste recycling. The Council promotes the use of recycled materials across all major building contracts as recommended by WRAP (Waste and Resources Action Programme).

7.4.12. In successfully delivering this objective we will:

- provide homes which are safe, secure and accessible;
- have residents who are happy with the quality of their homes;
- have supported the health and well-being of the residents
- improve the quality of Council properties;
- deliver efficient investment activities that demonstrate value for money and reduce on-going repairs;
- meet resident expectations within the limits of available funding;
- make Council homes affordable to heat and reduce fuel poverty;
- embrace and implement new renewable technologies;
- maximise opportunities to secure external funding.

**7.5. Objective 2: To increase the supply of high quality homes, delivered through development opportunities on Council owned land and through estate renewal**

7.5.1. The freedoms and flexibilities now available to the Council allow it to deliver its own new build Council homes for the first time in several decades. Funding has been put in place to allow a number of infill and small sites owned by the Council to be developed, subject to planning, to provide new homes.

7.5.2. The estate renewal programme aims to take further advantage of the opportunity for the Council to build new homes by regenerating and re-invigorating certain Council owned estates. The locations under consideration are where the existing homes are uneconomical to maintain over the 30-year housing investment period, where there is potential for additional homes by optimising land use; or where other challenges exist such as: high concentrations of poor quality one and two-bed social rented homes which has led to serious overcrowding; or areas where it is not practical to significantly improve the surroundings without radical change.

7.5.3. Estate renewal provides opportunities to put in place the social infrastructure required to make successful and sustainable communities, providing new community facilities, new parks and open spaces, new business and employment opportunities as well as additional school places. It also allows tenure balance to be influenced by increasing the number of affordable, private rented sector,



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housing ladder type products, or market sale homes in a particular area, assisting in creating mixed and balanced communities.

7.5.4. The Council will consult with residents at the larger housing estates in Tottenham, which face investment and other challenges, with the aim of delivering sustainable outcomes and mixed and balanced communities. Housing ladder products may be particularly suitable for helping to influence tenure mix in this area of the borough.

7.5.5. In successfully delivering this objective we will:

- build new Council homes;
- promote social, physical and economic regeneration to address the challenges on less sustainable estates;
- optimise the use of existing assets;
- create mixed and balanced communities;
- develop high quality and safe neighbourhoods where people want to live;
- increase the volume of tenure options;
- contribute to meeting housing need in the borough;
- pursue joint venture arrangements where availability of funding is limited, or where risks exceed the Council's appetite or capability.

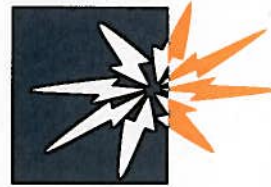
7.6. **Objective 3: To create mixed and balanced communities by incorporating a range of housing tenures, including new Council homes, to meet a variety of local needs**

7.6.1. The Council's new build housing, particularly at medium and large estate renewal locations will promote long term sustainability by providing residents with safe, modern homes which meet their housing needs in mixed and balanced neighbourhoods. Residents in overcrowded conditions can be re-housed in larger accommodation, vulnerable tenants can be given additional support and residents can play an active role in how their new neighbourhoods are designed and managed.

7.6.2. The Council's new build and estate renewal programmes will attempt to provide a mix of tenure types to help create local, and eventually wider area, balance. This could be achieved by influencing the number of affordable, private rented sector, housing ladder or market sale homes.

7.6.3. The range of tenures offered will include housing ladder products aimed at providing entry to home ownership and discounted rents for people on lower incomes. These homes offer a solution to local working families and individuals to rent or buy in areas that would not otherwise be accessible to them. This can be for example at rent levels below market rent (at say 80%) for which grant can be secured; for homes initially rented but where some of the rent is held to act as a contribution to a later purchase – known as 'rent-to-buy'; or through shared ownership and shared equity.





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7.6.4. In successfully delivering this objective we will:

- help create mixed and balanced communities;
- have residents who are happy with the housing solution they chose;
- provide a range of housing tenure products;
- provide homes which are safe, of high quality and accessible;
- deliver efficient services to those homes we choose to manage.

**7.7. Objective 4: To enable local people to benefit from jobs, apprenticeships and supply chain involvement through construction work**

7.7.1. The Council seeks to ensure that housing investment programmes deliver wider social and economic benefits to residents beyond the physical improvement of their homes. Contractor partners are actively involved in supporting employment and training opportunities for local labour, including a rolling programme of apprenticeships.

7.7.2. Many SMEs (Small and Medium size Enterprises) based in Haringey will form part of the supply chain, giving local businesses and their local employees the benefit of the construction and development work.

7.7.3. A programme of housing development offers wider opportunities than just construction, including sales and marketing, administration, housing management and a range of associated service industries.

7.7.4. Across all of the involved organisations there will be employment and training opportunities for local people through permanent and temporary contracts, apprenticeships and work placements. Job fairs are a typical catalyst that can bring willing local labour and potential employers together.

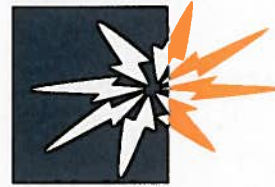
7.7.5. In successfully delivering this objective we will:

- work with selected employment specialists to maximise local involvement;
- create apprenticeship and training opportunities for Haringey residents;
- create full-time and part-time job opportunities for Haringey residents;
- deliver long-term jobs and income for the borough;
- have residents who are happy with the availability of opportunities.

## **8. Delivery**

### **8.1. Resident Engagement**

8.1.1. Resident engagement is key to successfully delivering each of the strategic objectives. Resident input has been integral to the process for developing housing investment in Haringey. Involvement to date has primarily been through the work of the resident's Asset Management Panel and Repairs Panel, and resident consultation around estate renewal at one of the large Tottenham estates.



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8.1.2. The resident's Asset Management Panel has been involved in:

- procurement of contractor partners;
- selection of materials and helping to define specifications;
- considering the specific consultation needs of particular groups of residents including those in supported accommodation, street properties, and leaseholders;
- developing the strategic approach to development;
- producing the Haringey Decent Homes – 'A Guide for Residents'.

8.1.3. The Resident's Repairs Panel covers a wide range of issues including:

- monitoring performance against a range of agreed targets;
- monitoring and helping to develop the Council's approved list of contractors;
- developing recommendations on service standards in partnership with Homes for Haringey. This includes a minimum lettings standard, and the contents of the repairs and major works handbooks;
- considering value for money, diversity, the involvement of residents and access to services.

8.1.4. Leaseholders attend the panels described above and are also consulted through the Leaseholder Panel and regular Leaseholders' forums. Best practice is followed to ensure their needs are fully accounted for in the development and delivery of repairs and capital investment programmes. This includes ensuring that the outcome from the Section 20 consultation process feeds into policy and decision making processes.

8.1.5. For medium size and large estate renewal the Council will consult with residents and jointly select masterplanners/architects to establish the most appropriate solutions to the local challenges. If the estate residents are willing the intention would be to create an estate renewal panel for the medium sized estates and a panel for each of the large estates.

8.1.6. For each medium size and large estate renewal the Council will create a communications and consultation plan, individual to the particular circumstances that exist. The Council and Homes for Haringey will engage and consult with existing residents and those who live in the immediately surrounding area. The aim, with the help of professional masterplanners/architects, will be to develop solutions that address as many stakeholder aspirations and concerns as possible.

8.1.7. The Council and Homes for Haringey will work with the residents to develop a resident's charter. This will set out the Council's commitment to supporting tenants, leaseholders and other local residents through the challenges of estate renewal as the proposals are developed and the area is transformed. The charter will include arrangements for involving the wider community and is likely to require specific local adjustments to suit the circumstances of the individual estate renewal projects.



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**8.1.8. Communication channels will include:**

- regular newsletters for residents who are having works carried out;
- email address and web page access to information;
- dedicated phone lines so residents can access information about the investment programme and estate renewal;
- road shows and presentations for all stakeholders;
- meetings with resident groups;
- resident access to site staff and site meetings for organised groups.

**8.2. Governance and Programme Management**

8.2.1. The larger and medium size estate renewal projects are likely to each require specific cabinet approvals due to their complex mix of funding requirements, land ownership and tenant/leaseholder involvement. Where approval is obtained internal governance will be through the existing Housing Renewal Executive Board.

8.2.2. Day-to-day management of the projects will depend on the particular delivery mechanisms used. For some infill/small and medium size developments the Council may choose to manage these internally. Where partners are involved each project will be reviewed individually to determine the most appropriate oversight. In the case of large estates the nature of management will be determined by the organisational structures which are chosen.

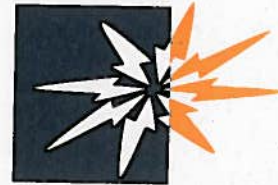
**8.3. Operational**

8.3.1. Investment in the Council's housing stock is delivered through the Council's ALMO, Homes for Haringey. The ALMO collects the stock condition data, develops works programmes, manages the procurement of contractors and the consultation with residents, and oversees the construction work.

8.3.2. Homes for Haringey is also responsible for the delivery of the repairs and maintenance contracts for tenants and leaseholders in council owned properties. This includes emergency and day-to-day responsive repairs, voids, disrepair works, mechanical & electrical installations and specialist works.

8.3.3. There are also statutory compliance responsibilities for housing landlords that Homes for Haringey deliver. These include: annual gas safety checks; management of asbestos; fire risk assessments and fire protection works; legionella testing; electrical testing; and Construction Design Management (CDM) construction site safety.

8.3.4. To achieve this substantial range of tasks the ALMO has a dedicated asset management team, which includes information specialists who use a proprietary system, 'Codeman 4' to store property survey information, generate proposed programmes, calculate levels of decency, project future costs and scenario plan.



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- 8.3.5. For estate renewal and delivery of new build Council homes the Head of Housing Investment and Sites leads a team which will be developed to reflect the expected growth in workload over the next few years.
- 8.3.6. Project managers will work across a range of infill/small sites where land owned by the Council can be used to provide additional homes. The project managers will also oversee the consultation and delivery of the medium sized estate renewal projects.
- 8.3.7. For the delivery of regeneration at the larger estates across Tottenham and at Noel Park individual delivery solutions will be developed for each location. This could be through internal Council delivery, through Special Purpose Vehicles involving the Private Sector or a combination of these and other solutions.

#### **8.4. Performance Management and Performance Standards**

- 8.4.1. The Council will carry out periodic reviews and updates of this Strategy to make sure that it remains properly aligned to the 30-year housing investment plan and related strategies.
- 8.4.2. The review process will enable the Council to assess how well it has delivered against the priorities and targets set and identify areas for improvement. It will also enable feedback received from residents and latest best practice developments to be used to ensure the strategy and methods of delivery remain current.
- 8.4.3. Achieving the Haringey Decent Homes Standard and delivering effective responsive repairs have been identified as key outcomes for Homes for Haringey and are subject to on-going Board Member scrutiny.
- 8.4.4. Performance standards throughout the capital investment, maintenance and repair processes are monitored regularly. The centrality of KPIs to the partnering process, through which the construction work is delivered, means that there are a significant number of meaningful performance measures used to monitor, assess and then improve performance.
- 8.4.5. Delivery of new build Council homes on infill/small sites, medium sized estates and large estates will gain momentum during 2014/15. The Housing Renewal Executive Board will review progress and will develop a range of standard reports to ensure it monitors and controls technical, financial and delivery outcomes.

#### **8.5. Value for Money**

- 8.5.1. In delivering housing investment and estate renewal a key aim is to achieve Value for Money (VfM) by optimising the balance between economy, efficiency and effectiveness, where:
- **economy** is the price paid for what goes into the service delivered, e.g. average spend per property;



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- **efficiency** is a measure of productivity, i.e. level of outputs for a given level of inputs, e.g. average time taken to complete a repair per worker;
- **effectiveness** is what impact the service has achieved, e.g. level of resident satisfaction with the works.

8.5.2. Delivery of Value for Money for capital investment and new build will include:

- financial control of costs in areas such as the Haringey Decent Homes partnering contracts, new build development and maintenance contracts;
- renewal or disposal of properties which incur inordinately high repairs or management costs;
- effective development investment decisions based on accurate capacity studies and financial analysis.

8.5.3. Financial and performance management, the link between costs incurred and the outcomes achieved, will be used to reduce cost but keep resident satisfaction at the same or improved levels.

8.5.4. It is appreciated that the quality and quantum of asset data, and the effectiveness of IT systems within the asset management department of Homes for Haringey are controlling factors in delivering Value for Money services.

8.5.5. Appropriate tender processes, frameworks and supply chain arrangements will be used to ensure effective, Value for Money procurement.

## 8.6. Risk Management

8.6.1. In drawing up this strategy, the risks to achieving the stated objectives have been analysed and measures to minimise risk as far as is practicable have been identified.

8.6.2. The approach to risk management for capital investment through contractor partners is a two-tier process. It consists of a Strategic Risk Register, which is reviewed and managed by the Strategic Core Group, and a Programme Delivery Risk Register, which identifies and monitors risk at a contract level. The risk registers cover a number of areas including communications, finance, time, resources, and performance.

8.6.3. The key risk to housing investment and estate renewal being achieved relates to the availability of funding, but there are also strategic and operational challenges to overcome before both the Haringey Decent Homes Standard and effective estate renewal can be delivered to the stock and assets owned by the Council.

8.6.4. Regulation, such as statutory obligations or Building Regulations are subject to change and could have a significant impact on the strategy and costs of for example fire safety or carbon emissions.



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8.6.5. Appendix 4 identifies a range of risks which need to have on-going reviews as the Strategy is implemented and the substantial capital programme and estate renewal proposals progress.

## **8.7. Funding the Strategy**

8.7.1. This section sets out how the objectives of the strategy will be funded based on the Council's decisions to date and projections of available income and expected expenditure. Within the 30-year HRA business plan there is a maximum additional borrowing capacity of £56m imposed by Government. Most of this will be required to complete the commitments made to deliver the Haringey Decent Homes Standard to the existing homes. The effective collection of rents will determine the ability of the Council to service the loans that are needed to allow investments to be made.

8.7.2. The point at which borrowing approaches the Government calculated cap is early in the 30-year business plan due to the high level of expenditure needed now and in the next few years. This higher than average expenditure is to make up for under-investment in council homes in the borough, over at least two decades, as a result of Government constraints. After about year ten of the business plan surpluses are generated and considerable investment in both existing and new homes will be possible.

8.7.3. Homes for Haringey has estimated the cost for delivering the Haringey Decent Homes Standard and maintaining that standard for the remainder of the 30-year HRA business plan. This is set out in the 30-year Housing Investment Cost Summary at Appendix 3.

8.7.4. The resources identified in the strategy assume that costs chargeable to leaseholders under the terms of their leases will be fully recovered. There is a risk that this may not be possible. This risk should be managed as set out in the Risk Management Strategy. There will be delays between incurring costs and receiving leaseholder contributions, and the effect of these delays on cash-flow will need to be taken into account in planning expenditure on works. The funding profile assumes that all recharges to leaseholders in respect of capital works to achieve the Haringey Decent Homes Standard, and maintain the stock at that level, will be re-invested into the capital programme.

8.7.5. Energy efficiency improvements beyond those that are delivered as part of the Haringey Decent Homes programme will be limited to those that can be delivered through external funding or can be incorporated at minimal increased cost within the Decent Homes programme.

8.7.6. Capital funding and right-to-buy receipts have been allocated for the first tranche of new build Council homes on Council owned land across a number of infill and small sites. For future such sites individual financial appraisals will be undertaken and proposed arrangements for delivery will be brought forward. Proposals may require outright sale and shared ownership sale of some of the properties to allow cross-subsidy of rented homes.



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8.7.7. Estate renewal across medium sized and large estates requires complex consultation, masterplanning, financial appraisals, detailed designs, planning applications and very often compulsory purchase orders. These processes will take many months or possibly years to implement before construction works commence. Each project will have different financial viability outcomes, each will therefore require individual consideration. There may be opportunities to work with partners and/or use cross-subsidy from financially successful projects to support those that generate a loss.

8.7.8. For the Tottenham estates the Council will need to consider a range of funding and delivery arrangements. Financing of these larger projects is only likely to be possible outside the HRA borrowing cap and may involve SPVs and developers, allowing investment from the private sector and underwriting of borrowing by Government.

## **9. Equalities and Diversity**

### **9.1. Equalities, Fairness and Inclusion**

9.1.1. This Strategy aims to support equality, fairness and inclusion by:

- ensuring that Council homes meet identified needs;
- increasing the accessibility of Council homes;
- promoting inclusion by offering a range of new build tenures;
- tackling socio-economic exclusion by delivering mixed and balanced communities.

9.1.2. So that social housing activity in Haringey meets identified needs, the Council will:

- collect and analyse socio-economic data to understand need and demand;
- test design solutions and housing development against the requirements of both young and old people;
- involve tenants and leaseholders in investment decisions on both existing and new stock.

9.1.3. In order to improve accessibility, the Council will:

- build all new housing to high standards of accessibility, and review the accessibility of existing stock as part of stock condition surveys;
- explore the viability of improving accessibility in existing stock, as part of the capital investment programme;
- aim to better meet the housing needs of younger people, and particularly those who are adversely affected by changes flowing from the Welfare Benefits Reform programme;
- help to meet the needs of people who are unable to achieve their aspirations for owner occupation.



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9.1.4. To promote inclusion, the Council will:

- invest in estates to improve “kerb appeal” and overcome any stigma attached to those locations;
- seek to deliver mixed and balanced communities, in existing stock, in estate renewal and in new build activities. This will include promoting housing ladder type products such as discounted market rent, rent-to-buy, shared ownership and shared equity.

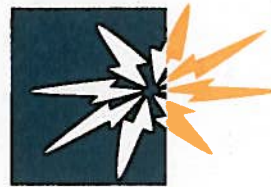
9.1.5. In order to tackle socio-economic exclusion, the Council will:

- deliver new development in locations with good access to transport and services, and provide high standards of management and maintenance service;
- develop a spectrum of cost levels (both for rent and sale) to meet a wider range of housing needs and demands;
- improve the energy efficiency of existing and new stock, to mitigate fuel poverty.

## 10. Appendices

1. Haringey Decent Homes Standard
2. Decent Homes Delivery
3. Housing Investment Cost Summary
4. Risk Management
5. Supporting Information





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## Appendix 1 – Haringey Decent Homes Standard

<b>Element</b>	<b>Decent homes standard</b>
<b>Kitchen</b>	Will be replaced if required. Assessed on an individual property basis
<b>Bathroom</b>	Will be replaced if required. Assessed on an individual property basis
<b>Electrics (wiring/fuse board)</b>	Will be replaced subject to inspection/test on an individual property basis
<b>Boiler/heating system</b>	Assessed and replaced if required on an individual property basis
<b>Smoke detectors</b>	Hardwire systems installed if not present
<b>Insulation</b>	Loft – installed/topped up if possible; Cavity – installed if possible;
<b>Roof (inc associated structure)</b>	Will be repaired/replaced. Assessed on an individual property/block basis
<b>Windows</b>	Will be repaired or replaced (with double glazed units) if necessary and subject to conservation area /planning restrictions. Assessed on an individual property/block basis
<b>Dwelling entrance doors</b>	Will be repaired/replaced. Assessed on an individual property basis and subject to conservation area /planning restrictions
<b>External repairs</b>	External repairs and decorations carried out as necessary. Assessed on an individual property/block basis

## Appendix 2 – Decent Homes Delivery

Haringey Decent Homes Progress and Projections										
	2007/08 - Pilot Year	2008/09 - Year 1	2009/10 - Year 2	2010/11 - Year 3	2011/12 - Year 4	2012/13 - Year 5	Original programme completion			Extended programme completion due to Central Government funding changes
							2013/14 - Year 6	2014/15 - Year 7	2015/16 - Year 8	
Stock at start of year	16,248	16,160	16,146	16,132	16,118	16,110	16,076	15,922	15,842	
Decent at start of year	9,372	9,408	10,253	11,696	12,791	11,314	11,563	11,021	11,682	
Non-Decent at start of year	6,876	6,752	5,893	4,436	3,327	4,796	4,513	4,901	4,160	
Made decent in year	36	1,555	2,192	1,743	442	333	544	1,982	906	
Falling into Non-Decency	0	710	749	648	1,919	84				
Stock at end of year (Adjusted for RBs)	16,160	16,146	16,132	16,118	16,110	16,076	15,922	15,842	15,762	
Decent at end of year	9,408	10,253	11,696	12,791	11,314	11,563	11,021	11,682	11,615	
Non-Decent at end of year	6,752	5,893	4,436	3,327	4,796	4,513	4,901	4,160	4,147	
% Non-Decent at end of year based on original programme (NI158)	41.78%	36.50%	27.50%	20.64%	29.77%	28.07%	24.38%	11.83%	6.01%	
Falling into Non-Decency 13/14 to 15/16							1,020	1,266	914	
% Non-Decent including newly arising need from year 6 onwards	41.78%	36.50%	27.50%	20.64%	29.77%	28.07%	30.78%	26.26%	26.31%	
Spend \$m per year	\$4,999	\$28,470	\$39,686	\$34,098	\$19,280	\$25,416	\$15,500	\$37,980	\$32,938	

The NI 158 outcome for year 8, at 6.01%, includes properties that have been identified as uneconomical to improve or face other challenges, residents have been informed that other solutions are being considered for these homes. The outcome would be 0% if these properties were removed from the calculation

## Appendix 3 – Housing Investment Cost Summary

COST SUMMARY												
	Year 1	Year 2	Year 3	Year 4	Year 5	Years 1-5 Total	Years 6-10	Years 11-15	Years 16-20	Years 21-25	Years 26-30	Total
Catch Up Repairs	£2,266,224	£2,190,474	£2,190,474	£2,190,474	£2,190,474	£11,028,118	£80,783,684	£65,210,657	£78,431,496	£75,857,977	£78,657,040	£1,028,118
Future Major Works	£27,085,131	£24,101,776	£19,347,211	£17,303,487	£71,379,194	£159,216,799	£750,000	£1,150,000	£9,665,495	£1,163,200	£750,000	£538,157,653
Improvements	£10,501,487	£10,501,487	£10,501,487	£10,501,487	£10,501,487	£52,507,437	£750,000	£1,024,500	£1,024,500	£1,024,500	£1,024,500	£64,986,132
Estate works	£204,900	£204,900	£204,900	£204,900	£204,900	£1,024,500	£1,024,500	£1,024,500	£1,024,500	£1,024,500	£1,024,500	£6,147,000
Contingent Major Repairs	£1,792,541	£1,700,767	£1,558,131	£1,496,819	£3,082,990	£9,611,248	£6,048,511	£5,256,320	£5,580,945	£5,425,739	£5,509,711	£37,354,473
Exceptional Extensive Works	£4,725,000	£3,775,000	£3,700,000	£15,571,697	£3,700,000	£31,471,697	£10,250,000	£10,250,000	£10,250,000	£10,250,000	£10,250,000	£82,721,697
<b>Sub-Total</b>	<b>£46,575,282</b>	<b>£42,474,404</b>	<b>£37,502,203</b>	<b>£47,268,864</b>	<b>£91,039,045</b>	<b>£264,859,799</b>	<b>£98,856,694</b>	<b>£82,891,477</b>	<b>£103,874,435</b>	<b>£93,721,416</b>	<b>£96,191,252</b>	<b>£740,395,073</b>
Cyclical maintenance	£9,257,932	£12,477,732	£12,479,732	£12,507,732	£12,479,732	£59,202,860	£62,371,292	£56,774,556	£59,261,084	£61,054,140	£66,820,252	£364,484,184
Disabled adaptations	£1,200,000	£1,200,000	£1,200,000	£1,200,000	£1,200,000	£6,000,000	£6,000,000	£6,000,000	£6,000,000	£6,000,000	£6,000,000	£36,000,000
Responsive Repairs and Void Works	£17,606,400	£15,966,338	£14,811,949	£13,657,560	£12,519,430	£74,561,677	£56,906,500	£56,906,500	£56,906,500	£56,906,500	£56,906,500	£359,094,177
<b>Total</b>	<b>£74,639,616</b>	<b>£72,118,474</b>	<b>£65,993,884</b>	<b>£74,634,156</b>	<b>£117,238,207</b>	<b>£404,624,336</b>	<b>£224,134,486</b>	<b>£202,674,533</b>	<b>£225,042,019</b>	<b>£217,682,956</b>	<b>£225,918,004</b>	<b>£1,499,973,434</b>
Average per tenanted dwelling per year	£4,591	£4,436	£4,059	£4,590	£7,211	£4,977	£2,757	£2,492	£2,768	£2,678	£2,779	£3,075
% of total	5%	5%	4%	5%	8%	27%	15%	14%	15%	15%	15%	100%
<b>Additional Leaseholder contribution</b>	£5,186,628	£7,712,094	£5,406,852	£5,793,163	£9,469,704	£33,568,441	£16,649,298	£12,119,249	£13,801,058	£11,762,829	£12,174,292	£100,075,168
<b>Total all costs</b>	<b>£79,826,242</b>	<b>£79,830,568</b>	<b>£71,400,736</b>	<b>£80,427,319</b>	<b>£126,707,911</b>	<b>£438,192,777</b>	<b>£240,783,785</b>	<b>£214,691,782</b>	<b>£238,843,078</b>	<b>£229,444,885</b>	<b>£238,092,295</b>	<b>£1,600,048,602</b>
<b>Base date of survey</b>	Year 1 : 2012/13											
<b>Total number of properties:</b>	20,721											
Leasehold stock number:	4,462											
Tenanted stock number:	16,259											
<b>Notes:</b>	Rates include preliminaries Rates exclude fees, VAT, management costs etc.											



**Haringey Council**

## Appendix 4 – Risk Management

	Risk	Mitigation
1	Inadequate funding	Reduction in investment programme, increase rents, disposal of worst performing stock
2	Poor communications	Established communications protocol at all levels – strategic, operational and local
3	Lack of tenant / leaseholder involvement in asset management and estate renewal	Continue to support tenant involvement
4	Failure to maintain standards due to under-performing contracts/contractors	Resourcing with professional support. Effective management of contracts
5	Lack of timely management information due to weakness of systems and/or system integration	Manage links between asset management database, housing management IT and financial systems
6	Lack of validated information about stock	Stock condition survey. Improved communication of outputs
7	Failure to develop an effective collaborative relationship with contractors	Nature of contracts. Partnering advisor
8	Inability to recruit, retain and develop key professional staff	Retention strategy combined with training and support to 'grow our own'
9	Inflation in stock investment costs exceeds CPI + 1%	Improve procurement
10	Inability to collect S20 leaseholder recharges	Collection in line with leases. Effective procurement and S20 process
11	Uncertainty over stock investment and/or new build costs	Benchmarking and procurement advice; feedback of information from results of tenders
12	Poor value for money from procurement	Procurement review. Benchmarking. Accessing appropriate skills
13	Complications of delivering estate renewal alongside major refurbishment	Effective resident communications. Well informed localised proposals
14	Legislative/ regulatory change (e.g. Building Regulations, Carbon emissions)	Monitor changes and respond as necessary
15	Lack of control on expenditure on day-to-day repairs	Effective management. Regular monitoring and reporting
16	Failure to achieve carbon reduction targets	Carbon reduction strategy plan. Commitment to improve energy efficiency
17	Health and safety failures	Sound policies and procedures. Prioritisation of asbestos management/removal and fire prevention activities
18	Fraudulent activity	Maintain controls, internal audit



**Haringey Council**

## Appendix 5 – Supporting Information

A wide range of published information and evidence is available. Those documents considered relevant to this strategy are listed below, together with a web-link where the full document is available online.

### REGIONAL

**The London Plan** 2011  
<http://www.london.gov.uk/priorities/planning/london-plan>

**Revised London Housing Strategy** 2011  
<http://www.london.gov.uk/priorities/housing-land/consultations/revised-london-housing-strategy>

**Housing in London 2012** 2012  
<http://www.london.gov.uk/priorities/housing-land/publications/housing-in-london-2012>

These, and other reports and publications, can be accessed via the GLAs website at [www.london.gov.uk](http://www.london.gov.uk)

### LOCAL

#### Corporate

**Haringey Corporate Plan** 2013  
<http://www.haringey.gov.uk/council/strategiesandpolicies.htm>

#### Planning

**Haringey Local Plan: Strategic Policies** 2013  
[http://www.haringey.gov.uk/index/housing\\_and\\_planning/planning-mainpage/policy\\_and\\_projects/local\\_development\\_framework/local\\_plan\\_adoption.htm](http://www.haringey.gov.uk/index/housing_and_planning/planning-mainpage/policy_and_projects/local_development_framework/local_plan_adoption.htm)

**Affordable Housing SPD** 2008  
[http://www.haringey.gov.uk/index/housing\\_and\\_planning/planning-mainpage/policy\\_and\\_projects/local\\_development\\_framework/supplementary\\_planning\\_documents/housingspd.htm](http://www.haringey.gov.uk/index/housing_and_planning/planning-mainpage/policy_and_projects/local_development_framework/supplementary_planning_documents/housingspd.htm)



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<b>Development Management Policies (draft)</b>	<b>2013</b>
<a href="http://www.haringey.gov.uk/index/housing_and_planning/planning-mainpage/policy_and_projects/local_development_framework/development-management-dpd.htm">http://www.haringey.gov.uk/index/housing_and_planning/planning-mainpage/policy_and_projects/local_development_framework/development-management-dpd.htm</a>	
<b><u>Housing</u></b>	
<b>Strategic Housing Market Assessment</b>	<b>2011</b>
<a href="http://www.haringey.gov.uk/index/housing_and_planning/planning-mainpage/policy_and_projects/local_development_framework/corestrategy/core_strategy_examination/cs-document-library/haringey-planning-policy-docs.htm">http://www.haringey.gov.uk/index/housing_and_planning/planning-mainpage/policy_and_projects/local_development_framework/corestrategy/core_strategy_examination/cs-document-library/haringey-planning-policy-docs.htm</a>	
<b>Housing Strategy 2009 - 2019</b>	<b>2009</b>
<a href="http://www.haringey.gov.uk/index/housing_and_planning/housing/housingstrategy/housing_strategy.htm">http://www.haringey.gov.uk/index/housing_and_planning/housing/housingstrategy/housing_strategy.htm</a>	
<b>Borough Investment Plan</b>	<b>2010</b>
<a href="http://www.haringey.gov.uk/index/housing_and_planning/housing/housingstrategy/borough_investment_plan.htm">http://www.haringey.gov.uk/index/housing_and_planning/housing/housingstrategy/borough_investment_plan.htm</a>	

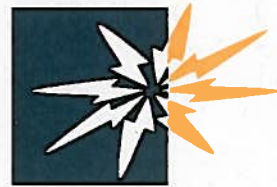


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## **Appendix B**

### **Medium Size Sites for Consultation**

1. Chestnuts / Hamilton / Tamar Estates N17  
(Land for development and estate options review)
2. Helston Court / Culvert Road N15  
(Poor building structures and environment)
3. Hillcrest N6  
(Land for development)
4. Imperial Wharf N16  
(Uneconomic for investment)
5. Larkspur Close N17  
(Uneconomic for investment)
6. Leabank View / Lemsford Close N15  
(Uneconomic for further investment)
7. Park Grove (including Durnsford Road) N11  
(Uneconomic for investment)
8. Tunnel Gardens (including Blake Road) N11  
(Uneconomic for investment)
9. Turner Avenue / Brunel Walk N15  
(Uneconomic for investment)
10. Demountables at:
  - Watts Close N15
  - Barbara Hucklesbury Close N22  
(Uneconomic for investment)



**Haringey** Council

## **Appendix C**

### **Infill/Small Sites for Capacity and Financial Analysis**

1. Anderton Court Garages, Alexandra Park Road N22
2. Parking Area, Barnes Court, Clarence Road N22
3. Connaught Lodge Garages, Florence Road N4
4. Cranwood House, Woodside Avenue N10 (General Fund)
5. Ednam House Garages, Florence Road N4
6. Parking Area, Fenton Road N17
7. Garages and Land adjacent 8 King's Road N17
8. Land between 10-12 Muswell Hill Place N10
9. Land adjacent 82 Muswell Hill Place N10
10. Templeton Hall and Garages, Templeton Road N15
11. Parking Area, Whitbread Close N17