



HOUSING SCRUTINY COMMITTEE

13 May 2024

SECOND DESPATCH

Please find enclosed the following items:

Item 1 Main Scrutiny Review 2023/24 - New Homes Build in Islington - To agree Final Report and Recommendations - To Follow 1 - 28

Enquiries to : Ola Adeoye
Tel : 020 7527 3044
Email : democracy@islington.gov.uk

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New Build Homes
The performance to date and meeting future
challenges.

FINAL REPORT OF
THE HOUSING SCRUTINY COMMITTEE

May 13th, 2024

Executive Summary

1.1 Introduction

The Committee commenced the review in July 2023 with the aim of understanding Islington's historic performance in comparison with other Local Authority (LA) developers and to understand how the new build programme intends to adapt or mitigate against future challenges such as lack of land supply, high development costs and the fluctuating current and future economic climate.

1.2 Objectives of the review:

- Evaluate historic performance - baseline data – quantity of new homes, how many sites, tenures, household sizes etc.
- Review of partnership working activities undertaken with the aim of increasing supply of new homes
- Compare performance with other LA housebuilders to measure performance.
- Identify any innovative practices undertaken which would improve the delivery of new homes.
- Review measures in place to meet current and potential future economic challenges, including alternative models of delivery.
- Assess effectiveness of lobbying activity to increase financial support and accessing potential sites.
- Review current communications, consultation, and engagement methods to assess effectiveness and ensure fit for purpose.
- Consider broader estate transformation opportunities to increase new housing supply and address issues in existing stock.
- Review design standards and technical specifications (space standards, sustainability, quality, maintainability) to ensure value for money, compliance and quality is achieved

1.3 Throughout the review, evidence was received from a variety of sources, which are listed below:

1.4 Presentations Received

Presentations were received from:

- Alistair Gale, Islington's Assistant Director of Housing, Programming, Design and Customer Care
- Stephen Nash, Interim Assistant Director – Strategic Development & Delivery New Build
- Nick Stylianou, Islington's Assistant Director of Finance - Homes, Neighbourhoods and Public Health Resources
- Karen Sullivan, Islington's Director of Planning and Development.
- Roger Arnold, Martin Arnold Chartered Surveyors and Construction Consultants
- Rachel Bagenal, Assistant Director – Housing Regeneration & Delivery Hackney Council
- Tim Porter, Be First Director of Delivery (Barking and Dagenham)

1.5 Information from witnesses:

Secretary TRA Park View Estate, Islington and Hathersage residents

1.6 Scrutiny visit

Visit to Council's new build homes at Andover Estate- (see Appendix B)

1.7 Recommendations

The review concluded in May 2024. The committee's recommendations are listed in the next section.

Recommendations

2.01 The Committee made the following recommendations.

2.02. To note the Committee's concerns about the council's capacity to deliver an ambitious and complex new build programme and whether or not.

- Appropriate officer resources are available to deliver the council's target of delivering 750 new homes for social rent, as well as completing current schemes on site, while being mindful of financial constraints with the HRA;

- Staff have the ability, skills and specialisms to deliver a scheme from inception to handover through appropriate training, support and performance management;

2.03. Review alternative funding and delivery models e.g. SPV and consider whether direct delivery by the council is the most effective and Value for Money model.

- Research other funding or delivery models used by other developing councils and undertake an options appraisal of different approaches

- Review investment and delivery models such as Joint Ventures, Special Purpose Vehicles, other partnership models with housing associations developers, contractors and investors

2.04. Review and improve resident engagement to ensure it is inclusive, accessible and fit for purpose.

- Ensure the delivery team has access to high level engagement support to ensure a high quality and consistent engagement service is provided to residents

- Overhaul the existing new build engagement process so it is fit for purpose (this will involve embedding best practice, locally and regionally, meeting legislative requirements and links in with corporate engagement practice)

- Draft a Residents Charter to set out the council's and contractors responsibilities when consulting and communicating with residents on development sites incl. a clear and fair tenant and leaseholders offer to affected households

- Utilise a range of modern methods and technology to keep residents engaged and informed e.g. website improvement (not limited to New Build and needs to connect with other council engagement approaches)

- Strengthen the engagement with residents impacted by construction and better manage contractor performance to minimise impacts

2.05. Review the governance arrangements over the council's new build programme to deliver transparent and accountable decision-making.

- Ensure robust cost management that delivers value for money

- Ensure effective risk management to ensure all project risks are well mitigated

- Commit to an internal audit review of governance

2.06. Continue to explore opportunities to build taller buildings to increase housing supply, including rooftop development.

- Work with Planning to identify where taller buildings might be appropriate in the borough as well as what mitigation is needed when providing tall buildings in un-designated areas
- Set up Tall Buildings Working Group to assess and incorporate changes to building design due to new regulations and improve efficiencies when designing and constructing tall buildings
- Identify site for pilot rooftop development and undertake assessment of cost and deliverability, making clear challenges and opportunities
- Identify other prospective rooftop development activities for future supply

2.07. Explore off-site construction opportunities to deliver at pace.

- Develop typologies that can be replicated on smaller sites in the development pipeline to increase speed of delivery and other efficiencies
- Investigate whether off site construction processes, such as Modern Methods of Construction (MMC), can provide value to the typical type of developments delivered by the council
- Engage with other Local Authorities to identify and learn from different construction approaches

2.08. Commit to delivering high-quality, climate change resilient homes (net zero carbon) to meet the needs of Islington's residents.

- Continue to design and build high-quality, sustainable and energy efficient homes that meet the challenges presented by climate change
- Undertake post-occupancy evaluation and building performance monitoring to evaluate impact
- Ensure that all homes are accessible and adaptable to meet the needs of residents and demonstrate exceeding minimum standards

2.09. Identify housing solutions that enable families to remain in Islington e.g. incentivised private sale homes to existing Islington residents.

- Identify small sites which may be better suited to larger homes such as existing garage sites which could accommodate mews houses for families with housing need for larger properties
- Establish a working group to investigate whether current funding arrangements in the new build programme can be adapted to subsidise or incentivise homes for local families who are being 'priced out' of the borough and don't meet the criteria for traditional social housing

2.10. Maximise training and employment opportunities for residents local to the council's new build developments.

- Explore different approaches that will deliver genuine training and employment opportunities to local people through the council's contracts with contractors delivering new homes

- Review training and employment opportunities provided through contracts over the last 5 years to establish a baseline

2.11. Asset review to identify future opportunities for new homes.

- Work with the Corporate Landlord and Homes and Neighbourhoods to identify opportunities within the General Fund and HRA asset base and support the drafting and implementation of the Strategic Asset Management Plan highlighting opportunities to maximise the supply of new homes
- When working on HRA and other new build sites, ensure at inception any opportunities for site assembly are identified and freeholders or leaseholders are approached to investigate whether the supply of new homes can be increased (this should be a priority if the owner is a public body or housing association)
- Work effectively with other public sector bodies (GLA, TfL, the Met, Govt Depts, Health providers etc) to maximise new housing supply through partnership arrangements or disposals of public sector land to the council

Evidence Received

- 3.1 Committee received a presentation from Islington Housing Officers, Stephen Nash and Alistair Gale on New Build Homes, its performance and challenges and the following issues were highlighted:**
- 3.2 There is a housing crisis with a desperate shortage of genuinely affordable homes with over 15,700 registered on Islington's housing waiting list.
- 3.3 At present under 3,000 Islington households live in overcrowded accommodation of which over 500 are severely overcrowded households.
- 3.4 Homelessness is on the rise and temporary accommodation availability is declining. It was noted that presently 146 applicants on the housing register require wheelchair accessible accommodation.
- 3.5 In 2008 Islington Council became one of the first local authorities to start building new council housing again for 25 years, following a period which it had been forced sell off most of its housing stock through the Right To Buy Scheme.
- 3.6 Islington remains one of the smallest and most densely populated boroughs in London, with much of the borough built up, resulting in a scarcity of land for new housing.
- 3.7 The lack of land supply and high property values in Islington has driven the Council to look for opportunities to build new homes on land it already owns. Most of the completed and under construction new housing projects consist of building new homes alongside existing homes on council-owned estates.
- 3.8 'infill' projects are often on constrained sites that require careful considered design and well managed construction which results in higher construction and development costs.
- 3.9 With every project, the New Build team aims to build as many new council homes as possible; improve communal areas, improve facilities and landscaping; making sure the new homes and any improvements made meet the residents' needs on the estate.
- 3.10 The New Build team aims to ensure that there is minimal disruption to its residents; achieving the best value for money; that proposals prioritise a mix of homes more closely aligned with housing need, including larger family homes, accessible homes and specialist supported housing.
- 3.11 Islington's local lettings policy ensures that local residents are prioritised for new council homes built, especially for residents who live in homes that don't meet their current needs which then provides opportunities to release existing homes which are then re-let to meet the needs of other Islington residents.
- 3.12 With regards to design and construction, Council's aspiration is to achieve higher standards for housing design and build quality homes.
- 3.13 Council aims to be at the forefront of building safe, secure, high quality, maintainable, energy efficient new homes that residents would be proud to live in, that its approach

is bespoke to each individual site but pinned to a core set of principles to achieve a consistently high level of quality and performance.

- 3.14 All new homes are designed to be tenure blind, with no visible difference in the appearance and common areas of buildings of different tenure.
- 3.15 The Council has worked successfully with its contractors to maximise the training and employment opportunities for residents arising from its housing development projects.
- 3.16 In terms of housing delivery, between 2009 and the end of August 2023, 580 new high quality, genuinely affordable council homes were built. Also new specialist supported accommodation was also provided, enabling Islington residents to live in their communities rather than outside the borough and to receive the best care and support possible.
- 3.17 The Housing Director acknowledged that new housing development has taken place at more than 40 locations in 17 wards with the result Council has been able to house over 2,500 Islington residents.
- 3.18 Islington Council has built 28 shared ownership, and 102 outright sale homes in the period stated above, with receipts from the sale of these private homes helping to pay for the new affordable housing and other associated estate and social infrastructure improvements.
- 3.19 In terms of funding for new homes, meeting was advised of rental income from the new council rent homes; prudential borrowing from the Public Works Loan Board; open market sales; Right to Buy (RTB) receipts and GLA grant funding.
- 3.20 Islington has a target to build 750 new council homes between 2023-2027, noting the schemes at Finsbury Leisure Centre and Vorley Road. All will contribute to meeting the target with 200 new homes, 50% council rent which meets Passivhaus standards and includes new leisure and medical centres, new public realm, play and landscaping.
- 3.21 In light of the current wider economic climate, the programme of new build homes presents significantly viability pressures and considerable risks such as high inflation, interest rate rises leading to higher borrowing rates for councils; construction costs at a 40-year high which is unlikely to fall; flatlining sales values and increased mortgage rates.
- 3.22 It was noted that delivery of homes have become increasingly challenging as many public and private sector housing developers have either paused, slowed, or radically altered their delivery programmes, resulting in fewer affordable homes being built, particularly in London, that work is underway to mitigate these challenges faced by the industry.
- 3.23 With regards to monitoring of works carried out by sub-contractors, Interim Director advised that a dedicated small After Care team has been in place in the last 18-24 months to carry out checks noting that lessons have been learnt and reassuring members that personnel involved have a construction background.
- 3.24 It was noted that although car parks on existing council estates are possibilities to build homes, acquisition of private car parks is more challenging as Council have no

control over such land and such land attract exorbitant land values which is unaffordable.

3.25 On a suggestion that Council consider using one standard design similar to well-known national home builders instead of having multitude of designs, the Director advised that this could not be replicated as most of the new build homes are built on existing estates and it is important to note that besides building affordable homes, it is important that such developments do not have an impact on the amenity of existing residents.

3.26 The Director clarified that the 28 shared ownership noted in the report is not included in the 580 homes built.

3.27 On the role of planning and council policies, Karen Sullivan reassured members that following a discussion on Tall Buildings in the context of addressing overcrowding issues at previous committee meeting, issues around density are being discussed at corporate level and that going forward schemes will be brought to planning committee in the near future.

4.01 On resident engagement and its relationship with different stakeholders in the delivery of its new homes, Committee received presentations from Stephen Nash, Interim Director Strategic Development & Delivery and the following points were highlighted:

4.02 Meeting was advised that besides delivering new affordable high-quality homes it is important for residents to understand why Council is building new homes on their estate, why it has to sell homes to pay for the works, and how people can apply for newly built homes. This is possible through its consultation and engagement process.

4.03 The New Build Team does not determine whether a scheme goes ahead, that lies primarily with the Council's Planning Committee.

4.04 The Team ensures that all relevant voices are heard, how it influences our buildings and spaces and the need to continue involvement.

4.05 Interim Director highlighted its engagement process with internal stakeholders with its initial fact finding; design guide; stakeholder workshops; building control and technical reviews; members meetings and updates.

4.06 Throughout the engagement process, the New Build Team aims to put residents at the heart of the process by involving them in both design and implementation phases.

4.07 Meeting was advised that local knowledge and feedback helps improve council schemes and enhance the social value that developments can deliver and this is done via exhibitions, drop in sessions, residents meeting the Design team to talk about the built environment; Steering groups and design workshops; feedback surveys; newsletters and posters and visiting residents.

4.08 The New Build Team engage with residents that do not live on the estate so as to get their perspective on the impact of the new scheme.

4.09 Resident engagement continues during construction and onto when scheme is completed and handed over as new schemes can have an impact on resident

amenity with possible closures of access roads and noises from construction activities and its impact on residents well-being.

- 4.10 The new build team provides regular newsletters, organise 'meet the contractor' event, having in place a dedicated resident liaison officer; use of online project webpages, attendance of TRA/TMO meetings and including a contractor 'Social Value' clause.
- 4.11 A successful engagement process will ensure that process is tailored to the needs of the projects as it is important to recognise that there is a no 'one size-fits-all'. The process will make use of local knowledge and feedback to develop and refine proposals, that it will allow for a 'win/win' approach whereby existing / and future residents will benefit, achieve an acceptable balance of time/cost/quality for the Council New Build once construction is underway.
- 4.12 Meeting was informed of the recent changes within the New Build Team, that previously the engagement process was managed by a Project Manager, a Strategic Engagement Manager and Officer has been proposed to manage the process with tasks of reviewing how the Team currently engages; filter out what works, what doesn't, what could be done better; speak to other developing boroughs and incorporate the best that they do; work closely with LBI Engagement and Participation Team and Communications Team; meet the requirements of the GLA / Social Housing Regulator and other relevant bodies etc.
- 4.13 In terms of Cross Public Sector Working, One Public Estate supports locally led partnerships of public sector bodies to collaborate around their public service delivery strategies and estate needs, an example being the funding of (some) ground works to Parkside Estate. It was also noted that more lobbying would need to be done regarding TFL as they remain one of the few large landowners in the borough.
- 4.14 The New Build team engages with the Islington Local Estates Forum and has resulted in projects such as Vorley Road (37 council homes, new medical centre, new library), the Finsbury Leisure Centre (100 council homes, new leisure centre, new medical centre, new energy centre) and Daylight New Park (new council homes, new medical centre, new adult day centre) etc.
- 4.15 GLA funds have resulted in the building of council homes for Londoners and Affordable Homes programme for sale, which is to be welcomed. • In terms of best Practice and Knowledge Sharing, the new team is part of the Local Authority Design Working Group (LA DWG).
- 4.16 The team also engages in various networking activities such as the Housing Forum which supports Council's at different stages in delivering more quality homes for their communities nationwide; London Councils (LC); LC London Housing Developers Group; Neighbouring developing councils and Contractors & consultants.
- 4.17 Meeting was advised that LBI being one of the founding members of the Benchmarking Construction for London group, is able to upload tender award data and supporting information that helps to produce construction cost benchmarks so that it obtains best value for money especially in terms of construction costs.
- 4.18 On the possibility of further collaboration with similar schemes such as the Richard Cloudsley School, meeting was advised of the unique circumstances which made it possible, however if such opportunity arises in the future the Team will take it up.

- 4.19 Meeting was informed of cross working with other services, that the team has links with the Adult and Social Care Services which helps in identifying local housing demands and under-occupiers.
- 4.20 In response to suggestions that Council build on top of existing residential buildings or build downwards, the Executive Member for Finance, Planning and Performance reminded the meeting of successful conversion of garages and undercroft spaces, and that Council have no plans to build below ground.
- 4.21 The interim Director advised that fun day events were sometimes organised in estates with a view to design play areas, an opportunity to obtain feedback from children and young people's.
- 4.22 In response to a question about previous collaboration exercises with smaller housing associations to build new homes, the interim Director advised that this was possible previously when council had small sites within the borough. Housing Scrutiny Committee - 7 November 2023 8 The New Build Team provides support and advice to small housing associations when seeking planning permission.
- 4.23 On the question of abandoned projects and if it could be attributed to failure with the engagement process, meeting was advised that only one out of 40 schemes was abandoned and this was due to challenging circumstances from the economic climate.
- 5.01 Committee received a presentation from Roger Arnold, Managing Director of Martin Arnold Limited, a multidisciplinary construction consultancy who specialise in residential and affordable housing. The following issues were highlighted:**
- 5.02 Consultancy currently employs 130 people within the London Borough of Greenwich and although it has never worked with Islington Council on any of its schemes it has worked with 16 London boroughs.
- 5.03 It is primarily involved in the residential sector of the industry, working with housing builders, housing associations and local authorities with particular focus on joint ventures between housing associations and developers such as the 1500 units built by Clarion and Countryside.
- 5.04 Meeting was advised that current market issues affecting the industry are contractor insolvency, legacy projects, fire remediation, second staircase and Building Safety Act.
- 5.05 With regards to contractor insolvency, meeting was advised that in light of the challenging economic climate over the last 12-18 months with inflation, Brexit, a lack of skill set, some contractors have found it difficult to survive and folded up with the result that clients are now left with legacy projects.
- 5.06 Legacy projects left behind by contractors are now being picked up by clients especially as contractors are unwilling to undertake housing schemes especially with the risks that might arise further down when carrying out the building process especially with potential increasing construction prices.

- 5.07 Fire remediation remains a challenge for the industry with its involvement in rectifying cladding which has been the industry model for over 2 decades with the result that available skills is being overstretched.
- 5.08 The provision of second staircase in tall buildings is another issue which has resulted in additional construction costs and raised viability concerns for developers.
- 5.09 Another concern is the implementation of the Building Safety Act with its regulator which still remains unclear, a legislation which aims to address safety concerns for high-risk residential buildings of over 18m. Most developers have had to include a further period of 15 months to the process of delivering homes, thereby resulting in increase in cost.
- 5.10 With regards construction pricing, the consultant advised that contractors are unwilling to bear risks, so it has been noticeable recently that design and build pricing includes caveats that protects contractors before the end of contract with the result that clients are taking more risks.
- 5.11 Industry has taken on a number of measures to mitigate risks by undertaking joint ventures, a model favoured by housing associations; construction management plans which uses sub-contractors; having sensible discussions of legacy projects; sharing of knowledge and skill and involvement of Housing Involvement partnerships.
- 5.12 Joint Ventures provides an opportunity for both client and contractors to share risks and is a tried and tested model in the delivery of social home and despite the advantages of risk and skill sharing, it also keeps design and build risks lower.
- 5.13 Construction Management Schemes tends to be taken up by ambitious clients, where sub-contractors are employed to carry out the works which is a regarded as high risk model, one of which is that it tends to take up a lot of client time.
- 5.14 Markets are currently looking at grant support especially in the light of the recent requirement of second staircases for tower blocks. As the GLA is currently inundated with claims on this issue, it has such that it is affecting the delivery of affordable housing.
- 5.15 In response to a question on abandoned legacy projects, Council's are advised to complete such projects especially as costs will continue to go up in the long run.
- 5.16 In terms of Housing Management Partnership, meeting was advised that in recent years the likes of Pension funds and Hedge funds have come into the affordable housing market to help with funding the project by providing funds.
- 5.17 LGA's are reviewing their housing delivery strategy, reviewing ongoing projects and making sure that schemes are both deliverable and viable.
- 5.18 Most LGA schemes tend to be on infill sites and garages rather than big sites especially as they are identified as 'low hanging fruit', however such schemes tend to be difficult due to land issues, access on site and can be expensive.
- 5.19 A suggestion that LGA's should be wary and cautious when reviewing schemes as in some instances developers over promise on what they can actually do with small sites with the result that costs sky rocket.

- 5.20 Maintaining good relationship with planners is key especially in terms of the tenure of the project as it is important to meet the requirement of the local planning policy as it needs to set a good benchmark.
- 5.21 With the recent announcement on the 5 year land supply, LGA's are reviewing its strategy on home delivery especially in light of the recent Fire Safety regulation and the requirements of the second stair case and it's consequences on whether it is deliverable.
- 5.22 The industry is anticipating over the next 12-18 months for construction costs to fall, which is welcomed by the industry although concerns around fire safety regulation and staircase requirement still remains.
- 5.23 Another issue of concerns for contractor is the level of risk and insolvency balance, with contractors not willing to carry the risk in light of what has occurred to the industry over the last few years.
- 5.24 The uncertainty around the Building Safety Act which in relation to high risk residential buildings of over 18m and resources to deliver it has resulted in developers adding another 15 months to the time line in delivering homes which adds to the cost.
- 5.25 There is still a strong reliance on housing associations to kickstart the building of social homes, however with ongoing issues such as damp and mould, fire safety to resolve, capital funds are being diverted to address these issues within existing stock rather than building new homes.
- 5.26 In response to a question on whether Islington would be able to deliver its 750 homes target, the Consultant advised that it depends on factors such as how far the Council is on its journey in terms of planning process, its procurement exercise, type of sites being developed, whether they are infill developments or buildings of over 18m with its associated issues of fire safety regulation etc.
- 5.27 On any issues of insolvency of contractors Islington's interim Director advised that only in one instance did a contractor go insolvent with a new contractor brought in to complete it. In another instance there was a mutual termination agreement because of concerns about the financial health of the company.
- 5.28 To minimise financial risks the Council is involved with in organisations that rate the financial health of contractors and also has made changes to its payments arrangements. Also senior officers partake in forums like the London Development Directors where commercially sensitive information is discussed.
- 5.29 It was noted that the provision of extra staircase can result in the loss of floor space therefore affecting the viability model of the scheme, however industry is having discussions with planning officers to ensure that such provision does not result in the loss of units.
- 5.30 The suggestion to employ MMS construction was welcomed however it is important to note it is not suitable in schemes such as infill sites or garage conversions as economies of scale come into play with larger schemes. Mr Arnold also reminded members that this methodology has its own challenges, that funds would be required upfront and recently there have been a number of such companies involved in MMS who have fallen into difficulty and filed for insolvency.

- 5.31 On the use of Pension and Hedge funds to build social housing, meeting was advised that this type of financing is solely used by housing associations and not a preference of local authorities.
- 5.32 With regards to joint ventures, meeting was advised that this is an option where council have land and developers are invited to build social homes on a 50:50 basis with the private sector making the funds available.
- 5.33 In light of the Covid pandemic, high inflation, the additional staircase request, fire safety regulation and damp mould remediation, Council's funds have had to be diverted from the HRA instead using it to build social housing.
- 5.34 A suggestion for sub-contracting not to be encouraged or involved in building social housing was noted. Also LGA's should explore partnership working and skills shortage within the industry should be addressed and Council should give serious consideration to building homes over 18m as the borough lacks land were noted.
- 5.35 On developer's claim schemes viability, Consultant advised that developers always aim to maximise any scheme it is involved in terms of types of tenures it delivers, that Council with its own in-house viability experts or independent experts should be able to review their claims.
- 6.00 **Committee received a presentation from Rachel Bagenal, Assistant Director, Housing Regeneration & Delivery of Hackney Council. The following issues were highlighted -**
- 6.01 Hackney is one of the first councils to start building its own council homes and via the Estate Regeneration Programme (ERP) which started in 2011, Housing Supply Programme (HSP) in 2016 and the New Homes Programme (NHP) in 2024
- 6.02 By April 2018, 660 new and refurbished homes had been completed, which were mostly estate regeneration schemes.
- 6.03 Between May 2018 and May 2022, the Council started, completed or received planning permission for 1,984 homes.
- 6.04 Hackney Council employs the Direct delivery model, with its Design & Build model and inhouse sales team, plus some development agreements.
- 6.05 Council has established a skilled inhouse delivery team along with the infrastructure to deliver.
- 6.06 Hackney Council aims to deliver high quality mixed tenure developments including homes for social rent, shared ownership and outright sale alongside a range of non-residential uses, public realm improvements and socio-economic outputs.
- 6.07 Council builds additional, high-quality homes within existing estates by building on underused land, typically car parks, garages and depots.
- 6.08 Hackney's commitments to residents to home delivery is that it will be Council led, not for profit and that it uses council land and working together with its residents. Also that its priority is that council tenants are given priority for all new builds.

- 6.09 During the period, 2018 - 2022, the Council had a target of 1,984 homes, 956 of which were affordable (social rent and shared ownership)
- 6.10 In addition to the above, its current manifesto target is to deliver 1,000 new social rent homes over the period of 2022 – 2026.
- 6.11 In terms of new social rented homes, meeting was advised that Hackney's current and new sites building programmes are contributing 568 Social Rent homes toward this target.
- 6.12 3,400 homes have now been built across more than 30 sites, that its ERP, HSP & NHP is a mix of large and small sites and includes estate regeneration, infill and brownfield sites.
- 6.13 It was noted that in terms of social rent housing, shared ownership and outright sale have been used to fund it.
- 6.14 Council endeavours to ensure that Hackney Council employs a self-funding approach to its portfolio, that the ERP and HSP provides 50% affordable and NHP programme 75% social rent.
- 6.15 In December 2022 Cabinet approved the New Homes Programme (NHP) and a key plank in the '1,000 new Council homes for social rent' target
- 6.16 In terms of Resident participatory design, meeting was reminded that this results in surrounding improvements and alignment with capital works in existing homes.
- 6.17 Hackney Council's aims to deliver well-designed, high-quality homes that support attractive, functional, safe and sustainable neighbourhoods, places where people want to live and that make a positive contribution to the Borough so the aim is to build characterful, cost effective, robust and well-loved homes that age well and stand the test of time.
- 6.18 In addition to the above Council aims to deliver resilient, high performing and energy efficient homes that lower the energy burden of the residents and contribute to the Council's net zero targets.
- 6.19 Hackney Council aims to ensure that its housing programme should be financially self-sustaining and that its investment should break even over 50 year as it endeavours to protect the Council's finances and front line services
- 6.20 Assistant Director advised that rents and services charges of residents in existing homes do not pay towards the cost of building new homes, noting that Hackney's council rents are amongst the lowest in London.
- 6.21 Council aims to seek to maximise inward funding from GLA and other external sources.
- 6.22 Meeting was advised that cost of building has increased significantly over the last few years, that each square metre of new buildings now costs at least £4,000 to build and that the total cost of each new home is £500,000+

- 6.23 Assistant Director reiterated that Council rents don't pay back the full cost of a new home over 50 years, that presently just as similar with other local authorities, Hackney does not receive enough government funding to fill the gap.
- 6.24 It was noted that outright sale homes are needed in the programme to cross-subsidise the social rent homes so as to make them viable.
- 6.25 In terms of viability, meeting was advised that the cross-subsidy model is very challenging in current market especially with the increasing construction cost, inflation and property prices plateauing. It was also noted that the number of Right To Buy (RTB) sales is expected to reduce significantly over the coming years, that a 75% reduction is predicted.
- 6.27 In addition to the above, there have been changes to the regulatory framework on tall buildings with the introduction of staircases, building safety and energy efficiency.
- 6.28 It was also noted that grant rules have changed in terms of GLA eligibility criteria.
- 6.29 With regards to opportunities for building homes, Hackney is now diversifying from its present model, that it is working with the market to respond to current challenges, bringing contractors and partners into the process earlier
- 6.30 Hackney is evolving and developing its skills as a developer by boosting commercial and construction expertise.
- 6.31 To address the funding issues, Hackney Council is seeking further subsidies from GLA and other sources and also refining its approach to design by being efficient, standardisation and the use of MMC.
- 6.32 On the question of building homes in blocks of over 18m, the Assistant Director stated that there is no blanket policy against tall building that in certain locations within the borough reminding the Committee that there is a lot of work with its design team to ensure high quality homes are built and where possible attempts are made to maximise spaces.
- 6.33 Members were reminded of the recent regulation regarding the provision of second staircases in blocks over 18m.
- 6.34 Hackney is working with other authorities such as Barking and Dagenham on resolving some of the challenges around building social housing.
- 6.35 In instances where Council has demolished social housing it endeavours to replace it albeit not necessarily the same quantity.
- 6.36 On the suggestion to use MMC when building new builds, committee were reminded that there are challenges, that there is no savings unless it is scaled up, noting that it is an industry in its early stage.
- 6.37 Hackney Council has moved away from the use of gas boiler to heat pumps in its new build homes.
- 6.38 On garage conversions, meeting were advised that it can be expensive and it can have a disruptive impact to the amenity of existing residents, noting that issues

around low ceiling heights of garages require digging down and the need to move some of the utilities all add to additional construction.

- 6.39 Assistant Director acknowledged that lessons have been learnt, that the end product has been high quality homes, has removed anti-social activities and there has been significant improvement to the public realm.
- 6.40 Meeting was advised that there are no plans to cease garage conversions despite the challenges.
- 6.41 On the funding and viability of the new builds, meeting was advised that Council is in constant conversation with its in-house finance team, that the Council ensures that it's finances are not compromised.
- 7.01 Committee received a presentation from Tim Porter, Be First Director of Delivery on Barking and Dagenham's housing programme. The following issues were highlighted:**
- 7.02 Be First is a Council owned regeneration company tasked with accelerating regeneration in the Borough.
- 7.03 Over £1.5bn of development has occurred on Council owned sites over the last 5 years and has delivered over 1,000 new homes, workspace and mixed-use schemes.
- 7.04 Be First also provides planning services at no cost to the Council, that it is focussed on delivering Inclusive growth but also making a financial return for the Council.
- 7.05 Be First mission is to accelerate regeneration in the borough, so that no-one is left behind and that its main focus of work has been direct delivery of new homes (majority affordable) utilising Council PWLB borrowing for Council's housing company Reside.
- 7.06 Contributing towards Be First delivering 20% of whole of London's new Council housing and last year third biggest Council house builder in England.
- 7.07 Although it has never been part of its original plan Business Plan, Turnkeys have become an important additional income stream, that the purchase of homes from the private sector has helped accelerate regeneration and benefit from private sector build costs, however council borrowing is still required.
- 7.08 Be First have done an income strip deal for the Trocoll House scheme adjacent to Barking Station. Rail Pen/Fifth Capital owned the site, Be First secured planning and took on all construction risk. Council funds Be First and other fees and is committed to an annual rent rising with CPI but capped at 4%.
- 7.09 Be First has purchased 18 additional properties for the Council, like Dagenham East Travelodge and Welbeck wharf which has helped facilitate regeneration and deliver good rental income relatively fast and others especially Thames Road which is land assembly to unlock longer term opportunities.
- 7.10 It was noted that there has been limited direct commercial development by Be First, that some ground floor uses in residential schemes but the main commercial scheme is Industrial.

- 7.11 Be First has also sought to employ Fund and Asset Management approach via Advisory Board for regeneration and building new homes.
- 7.12 A number of benefits as arisen as a result of Be First such as public engagement, development management; planning (inc producing Local plan); regeneration/Place-making; highways; civic works and design quality.
- 7.13 451 further homes were delivered across the borough during 2022-23; 849 New Homes 'Topped out' in 2022-23 across 6 schemes; 55 Apprenticeships supported during 2022-23 through contractors. £22m spent in 2022-23 with local small to medium sized businesses.
- 7.14 Barking & Dagenham Planning Committee have supported in approving 9,000 new homes for the borough over the last 3 years.
- 7.15 Be First's mission is to accelerate the regeneration of Barking and Dagenham delivering growth in homes and jobs and ensuring that there is "no-one left behind". Whilst this remains relevant the means by which it is achieved is going to need to change.
- 7.16 The strong focus on direct delivery with Council borrowing has meant that Be First has perhaps been less engaged with the private sector and focussed on individual delivery of a wide range of projects.
- 7.17 Be First's initial 6 years has established a good track record and reputation in terms of quality, efficiency, delivery capacity and in achieving some big wins. This has required a wide range of skills and tools which just wouldn't have been available in a Council in-house team.
- 7.18 On the issue of governance, committee were advised that Council remains the main shareholder, that Council officers are on the board, and that profits made is ploughed back to the Council to subsidise the services it delivers.
- 7.19 In response to a question, meeting was advised that Be First act as a Project Manager and that in terms of procurement, they offer a cradle to grave approach.
- 7.20 Meeting was reminded that considering Council had over the years lost a lot of its social housing over a number of years via Right to Buy and with this arrangement homes will be shielded.
- 7.21 Be First is not a registered housing provider but Reside, that Council still retains the freehold of the properties.
- 7.22 Be First avoids gentrification simply because the value of homes in the borough is relatively low when compared to neighbouring boroughs.
- 7.23 In response to a question on whether this was piloted before proceeding, the Director informed the meeting that company was founded in 2018 and that Council was still building homes before they were all migrated to Be First so company has grown in size.

8.01 Committee took evidence from TRA Parkview Estate volunteer.

- 8.02 Residents have no objections to Councils plans of building social housing, however the whole development in and around the estate has been frustrating for residents who recognise that there will be some disruption and inconveniences to them, however it was obvious that there was an absence of project management on the part of the new build team and the Council regarding this project, questioning on whether the project the lack of skill, capacity and leadership was clear especially as contact with residents was avoided and that all attempts to seek information such as survey of site so as to be able to ascertain what was there before.
- 8.03 Volunteer had concerns with the lack of diligence around the sites, noting that the loss of 3/4 bedroom dwellings from the scheme was concerning, that no adequate steps had been taken to protect the vulnerable residents. It was also noted that considering that this was presently the only active project in the borough, more is expected from the Council. The representative also stated that it was worrying that no senior officer from the Council or the New build team attended any of their meetings claiming to be busy despite numerous request.
- 8.04 He also was queried the viability of the new build homes, especially in light of the rent rises. Finally the TRA representative informed the meeting that a FOI request submitted in February 2024, on the cost of the block and in particular the units has not been provided, that with the figures being mentioned, there is the view that Council should have bought properties on the open market rather than building the new homes as it was not viewed as value for money.
- 8.05 In response to the comments above, both Councillor Ward, the Executive Member for Finance, Planning and Performance and Corporate Director of Community and Wealth Building indicated that they will schedule a meeting in the next few weeks to discuss some of the issues raised, apologising for the inconvenience that it had caused to residents.
- 8.06 In response to a question of Block D not going ahead, the Executive Member acknowledged that there were a number of factors that resulted in it not being built and that it was not an easy decision, but it was in the interest of the Council not to continue with building.

9.01 Committee received a presentation from Nick Stylianou. Assistant Director Homes, Neighbourhoods and Public Health on the New Build budget, funding and challenges. The following points were highlighted:

- 9.02 Meeting was advised that a significant of funding of new build programme goes towards cost of new build schemes (which consists of construction cost, fees, on-costs for marketing and CIL and risks and contingency).
- 9.03 In addition to above, funding goes towards ongoing costs for repairs and maintenance, major works, management and capital financing/debt repayments.
- 9.04 Sources of funding for new build homes include PWLB borrowing, Right To Buy 1-4-1 receipts, CIL/S106 and open market sales, of which the first two provides between 85-90% of funds.
- 9.05 Ongoing income received such as rental income funds ongoing costs and potential future sales/staircasing of shared ownership.

- 9.06 Rents over the last few years have been capped for a number of years and with inflation and high construction cost it has been challenging.
- 9.07 It was noted that cost of borrowing has increased, for example the Public Loan Works Board (PWLB) 40 year maturity rate rose from 2.06% to 5.49% between December 2021 to November 2023. Meeting was advised that in terms of HRA concession, 40bp discount although ends in 2025 which is to be welcomed it is too soon for many of the projects in the pipeline.
- 9.08 Other restrictions include the RTB receipts for example for the spring budget, although Council can use receipts to fund up to 50% of eligible spend incurred, resources are finite. However, from 2024/25 Municipal year Treasury will keep 20-25% of receipts.
- 9.09 There are restrictions on using RTB receipts with other external funding (GLA grant/DLUHC grant).
- 9.10 Viability issues hinders building new homes as government rent caps impact ability to fund future debt, management and maintenance.
- 9.11 It should be noted that the requirement to subsidise new build borrowing is to the detriment of Major works/Decent Homes.
- 9.12 Despite challenges, Islington Council is committed to delivering new homes, The current programme is delivering 162 Homes (including shared ownership) and the existing and new pipeline the council has a target of 750 new social rented homes.
- 9.13 In light of the current financial challenges, that over the last 12 months the Council has conducted a comprehensive review of its New Homes programme, reallocating constrained funds on most viable schemes and ensuring that it continues to build new affordable homes to meet council target.
- 9.14 Major pipeline schemes such as the Finsbury Leisure Centre, Bemberton South and Vorley Road, of which £118.08m has been allocated and the additional OMS units, there will be £118.608m short borrowing until sales complete.
- 9.15 Meeting was advised that there is a budget of £20.2m to bring various schemes to planning and funded from HRA reserves.
- 9.16 Meeting was reminded of the challenges to delivering new affordable homes and includes complexity of schemes (planning and building restrictions in Islington, availability of land and site access);challenging legislative issues(fire and building safety); impact of depressed housing market (with reduced private sales values and falling demand); inflationary pressure and historic lack of central government investment in council house building.
- 9.17 In overcoming the above challenges a number of sector wide actions have been taken such as lobbying central government in terms of greater flexibility on funding; simultaneous use of RTB and GLA grant which will ensure affordability; retaining 100% of RTB receipts as RTB has resulted over a long period in the reduction of

affordable housing stock and long term rent policy which impacts scheme viability as rents fund ongoing costs of new builds

- 9.18 Islington has undertaken a number of actions to address its challenges and they include, a review of scheme affordability; identifying alternative funding sources; consider opportunities across GF sources; assign dedicated Programme Management Officers to lead on designing and implementing programme assurance framework, introducing new scheme of delegations and update gateway process and additional capital programme financial scrutiny.
- 9.19 In response to a question on abandoned projects and in particular Block D on Parkview Estate, Executive Member acknowledged that prior to the decision being taken by the Executive in March residents had been kept abreast of developments over a 12month period.
- 9.20 Executive Member, Finance, Planning and Performance noted that Committee will be provided a detailed breakdown of the construction of this particular abandoned projects including Parkview Estate to include planning, site preparation etc. and also for live cases that are successful. Chair requested that this be shared with Committee however noting that this had been considered at Executive in March.
- 9.21 On concerns about the longevity of new build homes, the Executive Member stated that there is no evidence that people don't want to live in Islington as homes are affordable to rent, that the decision to build private homes for sale is to subsidise the building of social housing.
- 9.22 On the suggestion of relocating the loss of the 3/4 bedroom to other blocks on either Parkview Estate or to other developments, the Corporate Director indicated that this suggestion will be taken away, noting that other developments in the borough were delivering such tenures.
- 9.23 In response to concerns that the New Build Team had not been transparent through with the review and whether there is competency issues with the team which came into light with the Parkview Estate, the Corporate Director acknowledged that there were issues which could be shared with Committee at a future meeting , that as stewards of considerable amount of public monies this is taken seriously, noting that the reason for the abandoned project was due to a serious legal challenge. Meeting was advised that things are getting better, that the capability of the team is clear that we have addressed the issues around resident's engagement that council has invested in 3 new roles to address.
- 9.24 In response to the £6m that it cost the Council with the abandoned projects, the Corporate Director acknowledged that the ceased schemes are regarded as write offs, noting that there are a number of live schemes that are deemed successful.
- 9.25 On 30th April, committee heard from residents of Parkview and Hathersage Estate and the following points were raised.
- 9.26 Some of the issues are that schemes have resulted in immense disruption to their daily lives; loss of open spaces and play areas for children for over 10years; lack of leadership from council officers and importantly no communication on future plans for areas that have remained fenced off.

- 9.27 In response, the Acting Director informed that previously there was a scheme and team worked with TRA but unfortunately it was not possible to get it work, that going all efforts will be made to repair the relationship with the TRA which is reflected in one of the recommendations being considered later in the meeting.
- 9.28 On whether the scheme at Hathersage would still be going ahead, Officer advised that although he could not commit to any scheme officers are working on bringing back the communal spaces/play areas.
- 9.29 Meeting was informed that going forward all attempts should be made to reinstate the communal open fields/play areas which had been fenced off and lots more work need to be done in terms of communication as it is obvious that residents were communicating with officers but were left in limbo.
- 9.30 Executive Member, Finance, Performance and Planning reiterated his commitment to scheduling a meeting with Hathersage TRA , apologised that he had visited other new schemes in the borough besides Hathersage, all attempts will be made to address their concerns.
- 9.31 Another resident said despite their willingness tenants on the onset, trust and respect to the council has been lost, that tenants are subject to cyclical works and capital works.
- 9.32 Another resident of Parkview reiterated her concerns about lack of consultation, that as a disabled person she experienced accessibility around the estate, no notice of announcement of diversions and importantly the contract liaison officer has been ineffective. Members were reminded that this project should have been a textbook example for resident engagement but unfortunately fell short.
- 9.33 In response, the Acting Director noted inconveniences the planned schemes had caused and the catalogue of issues raised by the residents. The Officer reiterated that the Council have completed some successful schemes, that going forward Council will look to keep residents updated at every stage of the building process.
- 9.34 It was noted that in light of the concerns raised by residents, it was suggested that maybe a check list was required which allows officers to work through bit by bit so that everyone has a clear understanding of where things are, a clear path of how to move forward.
- 9.35 Chair thanked residents and TRA representatives, apologising for the inconveniences it has caused, the disruption to their lives, noting that this is an issue that has come to the attention of this committee and that having now heard from residents, members will now be able to hold officers to account.
- 9.36 Another resident informed the meeting that her autistic child suffered an injury despite having raised issues of safety earlier to council officers, that residents have not gone to the press , stating that in one particular instance was advised not to make a complaint , that having sent an email to Executive Member he had not responded, that as council tenants who pay their rent, this was not good at all.
- 9.37 Councillor Kay reiterated her concerns that after last meeting there was a request for survey plans and that up to date this is not forthcoming, that in her ward only 1 social

housing has built and it is noticeable that Council is not building 3-4 bedroom houses which is supposed to address overcrowding.

- 9.38 In response to a question raised by Noel of Parkview TRA on the timeline when the reasons for the abandoned schemes which the Corporate Director had suggested will be shared with the Committee, the Chair indicated that he would look into and respond back to him personally.

Finding

- 4.1 Committee summarised some of the findings from the review as follows:
- a) That there is a shortage of social housing in the borough as a result of years of government policies, the economic climate , regulations, lack of funding and lack of land supply.
 - b) That on the issue of funding to build new homes, Council should review alternative funding and delivery models if more efficient.
 - c) That engagement of residents need to be robust to ensure that they are kept abreast of all activities throughout the process and Council should consider a range of methods and technology.
 - d) In light of land supply concerns Committee were of the view that Council should explore opportunities to build taller buildings and review relevant planning polices.
 - e) Also Committee welcomed suggestions/incentives to be made available for Islington residents to buy private sale homes, as some residents are ineligible for social housing and also unable to afford homes in the open market. This will support Islington residents to remain within the borough.
 - f) Committee recommended a complete asset review to identify future possibilities for new homes.

Conclusion

- 5.1 Committee commended the ongoing work of the Council in addressing the waiting list and in particular the building of new build homes, recognising the challenges especially in the current economic climate and the unique instance of Islington with its lack of land supply .
- 5.2 Committee have made a number of recommendations with a view to consider innovative ways and working in partnership with other stakeholders to build new social housing.

Housing Scrutiny Committee
2023-24 Membership

Councillor Jason Jackson
Chair

Councillor Ilkay Cinko-Oner
Vice Chair

Councillor Valerie Bossman-Quarshie

Councillor Gulcin Ozdemir

Councillor Mick Gilgunn

Councillor Ernestas Jegorovas-Armstrong

Councillor Michael O'Sullivan

Councillor Phil Graham

Rose Marie McDonald – PFI Managed Tenants

Dean Donaghy – Directly Managed Tenants

Substitute Members

Councillor Jilani Chowdhury

Councillor Ben Mackmurdie

Councillor Heather Staff

Councillor Rosaline Ogunro

Councillor Caroline Russell

Councillor Marian Spall

Councillor Heather Staff

Councillor Dave Poyser

Acknowledgements

The Committee would like to thank all the witnesses who gave evidence to the review

Officer Support

Alistair Gale, Stephen Nash , Karen Sullivan – LBI
Ola Adeoye– Democratic Services

APPENDIX A

SCRUTINY REVIEW INITIATION DOCUMENT (SID)
Review: New Build Homes – Performance to date and meeting future challenges
Scrutiny Review Committee: Housing Scrutiny Committee
Director leading the review: Jed Young – Acting Director of Homes & Neighbourhood
<p>Lead Officers:</p> <ul style="list-style-type: none"> • Stephen Nash – Interim AD New Build Development & Deliver • Alistair Gale – Acting Assistant Director – New Homes
<p>Overall aim: Review of the new build programme to understand historic performance in comparison with other Local Authority (LA) developers and understand how the programme intends to adapt or mitigate against future challenges incl. lack of land supply, high development costs and fluctuating current and future economic climate.</p>
<p>Objectives of the review:</p> <ul style="list-style-type: none"> ▪ Evaluate historic performance - baseline data – quantity of new homes, how many sites, tenures, household sizes etc. ▪ Review of partnership working activities undertaken with the aim of increasing supply of new homes ▪ Compare performance with other LA housebuilders to measure performance ▪ Identify any innovative practices undertaken which would improve the delivery of new homes ▪ Review measures in place to meet current and potential future economic challenges, including alternative models of delivery ▪ Assess effectiveness of lobbying activity to increase financial support and accessing potential sites ▪ Review current communications, consultation, and engagement methods to assess effectiveness and ensure fit for purpose ▪ Consider broader estate transformation opportunities to increase new housing supply and address issues in existing stock ▪ Review design standards and technical specifications (space standards, sustainability, quality, maintainability) to ensure value for money, compliance and quality is achieved
<p>How is the review to be carried out:</p> <p><u>Scope of the review</u></p> <p>The review will be conducted in writing reports, taking evidence from external organisations, and analysing data to focus on:</p> <p>Types of evidence:</p> <ul style="list-style-type: none"> • Officer Presentation • Written evidence from officers • Performance data • Witness evidence from other developing boroughs (Camden and Hackney), housing associations operating a similar service (Newlon) and HA development partners (London Square and Mt Anvil)

- Benchmarking with other developing boroughs
- Site visits

Additional Information:

To consider any useful comparators as part of a 12 month review if required.

In carrying out the review the committee will consider equalities implications and resident impacts identified by witnesses. The Executive is required to have due regard to these, and any other relevant implications, when responding to the review recommendations.

The Housing Scrutiny Committee will also seek witness evidence from the following officers at the meetings:

- Nick Stylianou, Assistant Director of Finance - Homes, Neighbourhoods and Public Health Resources

Programme

Key output:	To be submitted to Committee on:
1. Scrutiny Initiation Document	17th July 2023
2. Draft Recommendations	18 April 2024
3. Final Report	13 May 2024

Appendix B

Housing Scrutiny Committee – Scrutiny Visit

Date – 6 February 2024

Attendees: Cllr Jason Jackson, Ola Adeoye (Committee Clerk) & Alistair Gale (Interim Director New Builds), Andrew Osborne (Team Leader) and Will Nelson (Quinn)

Exercise – A visit to Andover Estate to view some of the new builds homes which is part of the Council's delivery of new affordable homes.

- Garage conversion scheme – this is a pilot scheme combining existing homes and garages to deliver much needed larger, homes
- These are treated as pilot with the view that this can be extended to other sites within Andover Estate and other locations within the borough.
- Garage conversions are not without complications and constraints, but the pilot has provided lots of lessons that indicate a cost-effective way to make better use of these type of garages to provide accommodation for residents rather than cars or storage
- A number of lessons have been learnt following the activities on Andover Estate that will be fed back into processes for future projects
- New build homes within infill sites present a range of challenges, the disruption to convenience of existing residents, construction noise, inadequate resident engagement and access. Also issues around increasing the density on estates needs to be carefully considered and managed to ensure successful integration and positive outcomes.
- There can be opposition to loss of open spaces from existing residents so it is important to ensure that open space improvements are included within the project.
- Council has completed over 45 individual new build projects with new homes built on both largely unused or poor quality spaces – particularly car parking and garages on estates.
- Delivering larger scale projects, such as estate redevelopment is extremely challenging and requires significant support from a range of stakeholders. The council has a track record of adding new homes to existing estates, with a handful of examples of replacing poor quality homes on a few schemes.
- Cllr Jackson viewed the nearly completed garage conversions to new, larger homes, a 1 bedroom and 3 bedroom type of accommodation. Each dwelling was fully equipped with a kitchen, toilet and bathroom and built to high specification. It was notable that none of the homes had any provision of white goods such as cooker, washing machine or refrigerator.
- The 3 bedrooms are located at the end of the terrace of old garages, with individual access to sizeable garden space and modern shed equipped to store bicycles. Floor to ceiling height of each dwelling was 2.2m and all rooms are spacious. The Project Manager stated that effectively 2 garages were knocked together to build the 3 bedroom homes.
- Also viewed was the improvement to the walkways above the garage into existing homes.
- Access to the homes above the converted garages were accessible via a security gate which helps to minimise the anti-social behaviour which was prevalent around the unused garages. Cllr Jackson was informed that maintaining council owned garages has often been financially challenging.

- Officer advised that if the pilot on Andover Estate was viewed as a success it can be replicated across all estates in Islington where there are similar opportunities.
- Contractors have been on site for over 2 years longer than planned due to issues such as the need to revisit the design of the rooms to meeting Islington's high standard, piling was required which was not anticipated before commencing, the repositioning of services such as gas and electricity etc . Also there were delays through the planning process which had not been taken on board and also with insulation works carried out for the balcony above.
- 3 contractors are currently working on Andover Estate, Osbourne, Mears and Quinn.
- Osborne are the new build contractor, Quinn have undertaken the garage conversion pilot and Mears is undertaking the capital works to some of the existing homes on the estate.
- Resident benefits such as an improved walkway, installation of electric lift, improved public realm, gas upgrades and public realm works were highlighted.
- It was noted that 2 contractors on the same estate can be challenging doing different things, some are involved in infill developments, garage conversion and capital works
- Interim Director informed Cllr Jackson, that lessons from the experience on Andover have been taken on board by the New Build Team which will be beneficial for future developments.
- Cllr Jackson viewed Block J - a row of terraced houses, built to a high specification with regards the size of rooms and the private garden.
- The same architect company was involved with both the garage conversion and the new build homes.
- All newly built homes whether the infill development, garage conversions and the new build homes in Andover Estate will be handed over to the Council for letting within the next couple of months.
- Cllr Jackson also viewed the affordable workspace on Durham Road positioned in an underground car park, a huge benefit to the area. This was built with GLA grant.