

Presentation to Islington's Housing Scrutiny Committee

By Tim Porter, Be First Director of Delivery  
18<sup>th</sup> April 2024

# Introduction

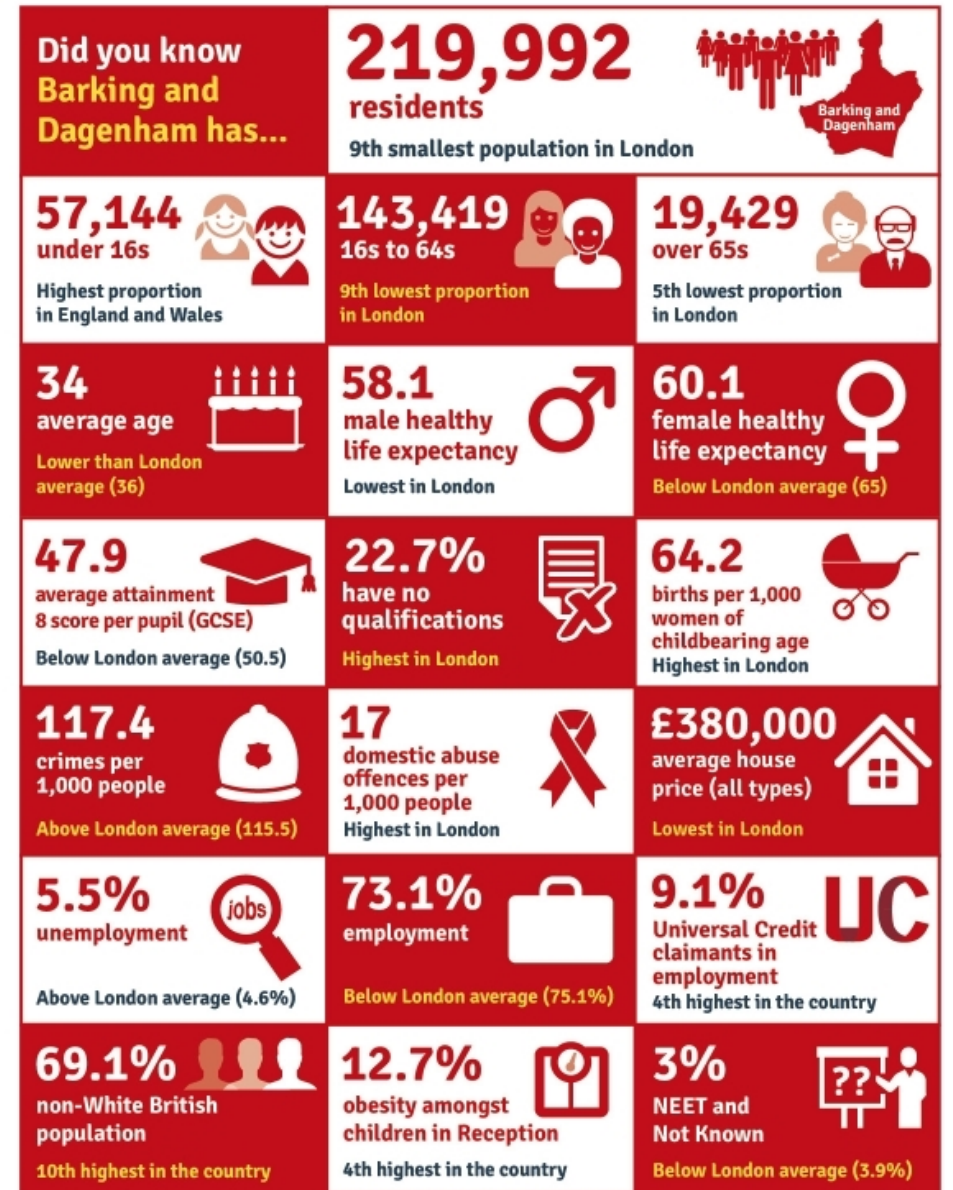
Barking & Dagenham is an impoverished London borough featuring at the wrong end of the league table for many outcomes, including:

- low life expectancy
- excess weight and obesity
- economic inactivity
- Housing Benefits/Universal Credit
- child poverty
- domestic abuse

We are London's growth opportunity though, including:

- Barking Riverside and other growth areas
- relocation of Billingsgate and Smithfield markets to Dagenham Dock
- film and television production Centre in Dagenham
- building new homes – including many with affordable rents (Reside)

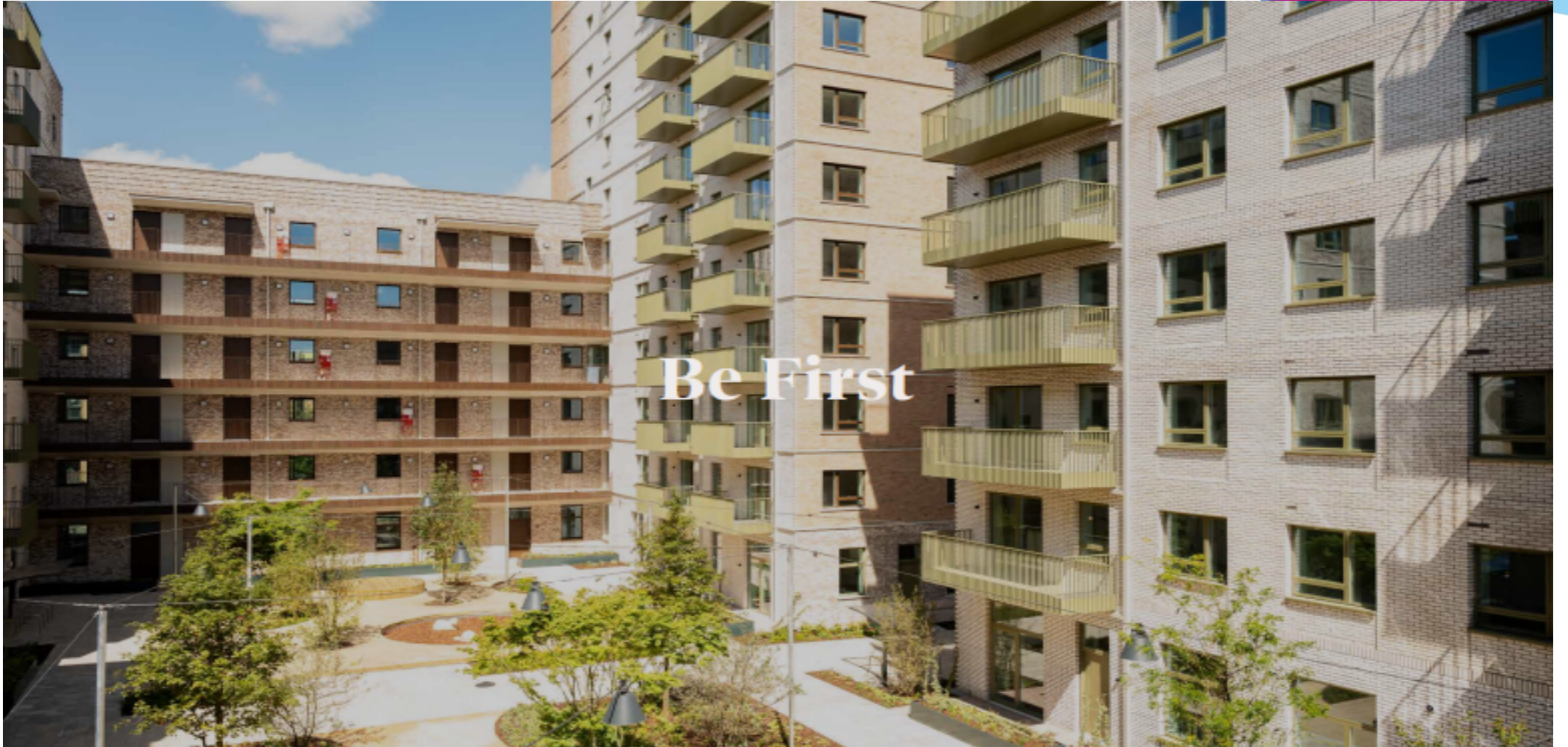
The aim of this slide deck is to focus on insight that might be more positive in terms of attracting investment



# Some positives

- Large population growth between the 2011 and 2021 Censuses (3<sup>rd</sup> highest in country)
  - bucking national trend of ageing population
  - youngest population in England & Wales (26% residents aged under 16)
- Increasing diversity
  - better educational outcomes amongst non-White British residents
  - increased migration from South Asian and West African countries
- Room for job creation with just under half of employed residents travelling to a place of work outside Barking & Dagenham (44.9% - 3<sup>rd</sup> highest in England & Wales)
- Falling unemployment
- Positive well-being scores
- Increasing number of households with household income of £50,000 plus
- Cheap rent and low house prices
- Improving A level results and more students going to prestigious universities

**BeFirst**



[www.befirst.london](http://www.befirst.london)

- Be First is a Council owned regeneration company tasked with accelerating regeneration in the Borough.
- £1.5bn of development on Council owned sites over last 5 years has delivered over 1,000 new homes, workspace and mixed-use schemes.
- We provide planning services at no cost to the Council.
- Focussed on delivering Inclusive Growth but also making a financial return for the Council.
- Also facilitate development by others (eg film studios)

**Our mission is to accelerate regeneration in the borough, so that no-one is left behind.**





## Direct Delivery

**BeFirst**

A main focus of work has been direct delivery of new homes (majority affordable) utilising Council PWLB borrowing for Council's housing company Reside.

Contributing towards Be First delivering 20% of whole of London's new Council housing and last year third biggest Council house builder in England.

Housing addressing high local needs but also sub market rentals supporting the need for the Capital to retain its workforce - a key role B&D can continue to play. Strong selling point to Regional and National Government.

# Turnkeys

Never part of original plan Business Plan – turnkeys became an important additional income stream - the purchase of homes from the private sector which helped accelerate regeneration and benefit from private sector build costs. Still requires Council borrowing.



# Income Strips

We have done an income strip deal for the Trocoll House scheme adjacent to Barking Station. Rail Pen/Fifth Capital owned the site, secured planning and take all construction risk. Council funds Be First and other fees and is committed to an annual rent rising with CPI but capped at 4%.

Risk is rental inflation not as high as CPI. Council didn't favour income strips when borrowing was cheap - unclear their appetite and the extent they would enter into income strip arrangements.



The acquisition has a strong ESG focus. The delivery of 198 build to rent apartments, 35% of which are affordable will help tackle the local housing shortfall. **Julian Allport, Investment Manager at Railpen**, commented: "We are pleased to have agreed this deal with Fifth Capital for the development of Trocoll House. The build to rent sector has been resilient throughout the pandemic, delivering strong investment returns. We look forward to being a long-term partner of Barking & Dagenham Council."

Railpen website



# Commercial Portfolio

Be First has purchased 18 additional properties for the Council. Some, like Dagenham East Travelodge and Welbeck wharf, helped facilitate regeneration and deliver good rental income relatively fast – others (especially Thames Road) are land assembly to unlock longer term opportunities.

Recent purchases struggle to cover interest/holding costs.

There has been limited direct commercial development by BF - some ground floor uses in residential schemes but the main commercial scheme is Industria.

Fund and Asset Management approach via Advisory Board.



## Be First Skills and Capabilities

- Land assembly (including utilising CPO powers)
- Public Engagement
- Development Management
- Planning – Planning Consultancy but also Local Planning Authority functions (inc producing Local Plan)
- Regeneration/Place-making
- Highways
- Civils works
- Design Quality – numerous awards including Stirling Prize nomination
- Own Framework for architects and Contractors
- Liaison with LBBD's Housing company – BD Reside responsible for letting and management of non HRA stock.

**No-one knows  
Barking and  
Dagenham better.**

## The Be First offer

### The **BeFirst** Offer



Expertise in architecture, urban design and masterplanning in urban, suburban and rural conditions

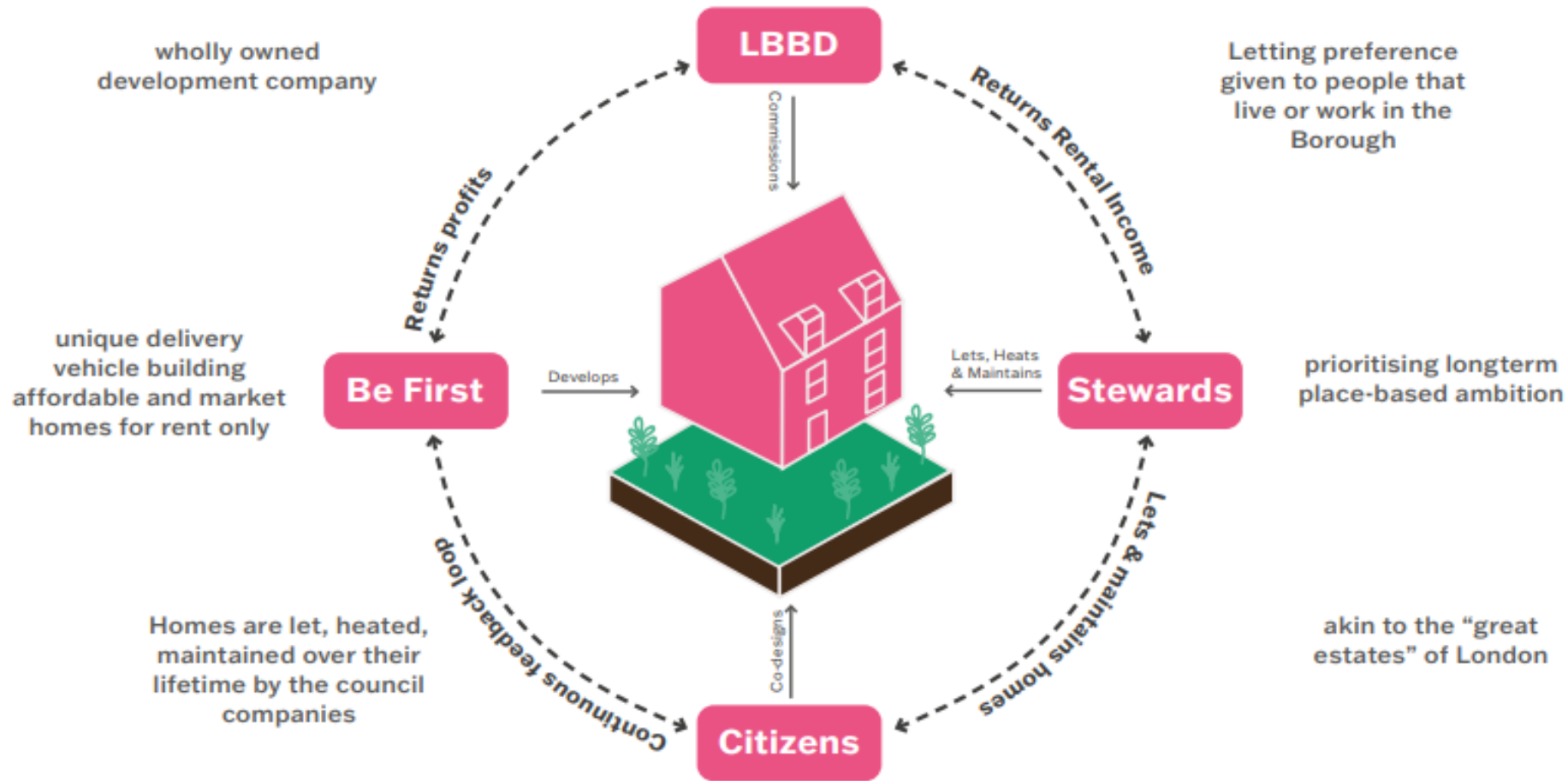


In house commercial team with links to property consultants (e.g. Savills, JLL etc.)  
Understanding of market conditions in LBB and beyond



Expertise in construction and delivery of projects at all scales and project values

## The Be First delivery model



## Key components of a Be First building



High quality design, informed by residents and specific to the borough.



Net zero carbon in operation and heated by communal heat networks where available.



Designed to be efficient and simple to construction using Be First's Pattern Book. Optimising the use of factory made offsite components across the portfolio.



Management, maintenance and lifecycle costs considered from the outset. Continuous feedback loop informing new project briefs.

## Design quality



### Co-designed with residents

Opportunities for home customisation and multi generational living, informed by resident engagement



### Well-designed interiors

Contemporary interiors with good quality finishes, maximising natural light and making the most of space



### Engaging public realm and amenity

Well designed outdoor areas with places for relaxation, activity and play



## Sustainable



### **Sustainable neighbourhoods**

Buildings with lower carbon emissions, water consumption, and waste production, within landscapes that promote healthy lifestyles



### **Zero carbon in operation**

Homes built to exemplary energy standards like Passivhaus, keeping bills low for residents



### **Reducing embodied carbon**

Using high quality, low impact materials from sustainable sources, maximising off site construction and reducing waste



## Efficient



### Efficiency

Embedding efficient layouts, simple structure, and a low cost approach to ensure that time on site is reduced and quality is increased



### Buildability

Working with partners to ensure schemes are deliverable



### Patternbook led approach

Standardising building parts across the portfolio and maximising off site construction





## Management & maintenance



### Long life cycle

Quality buildings which stand the test of time, with lower running and repair costs



### Golden thread

Management considerations embedded in each building from inception



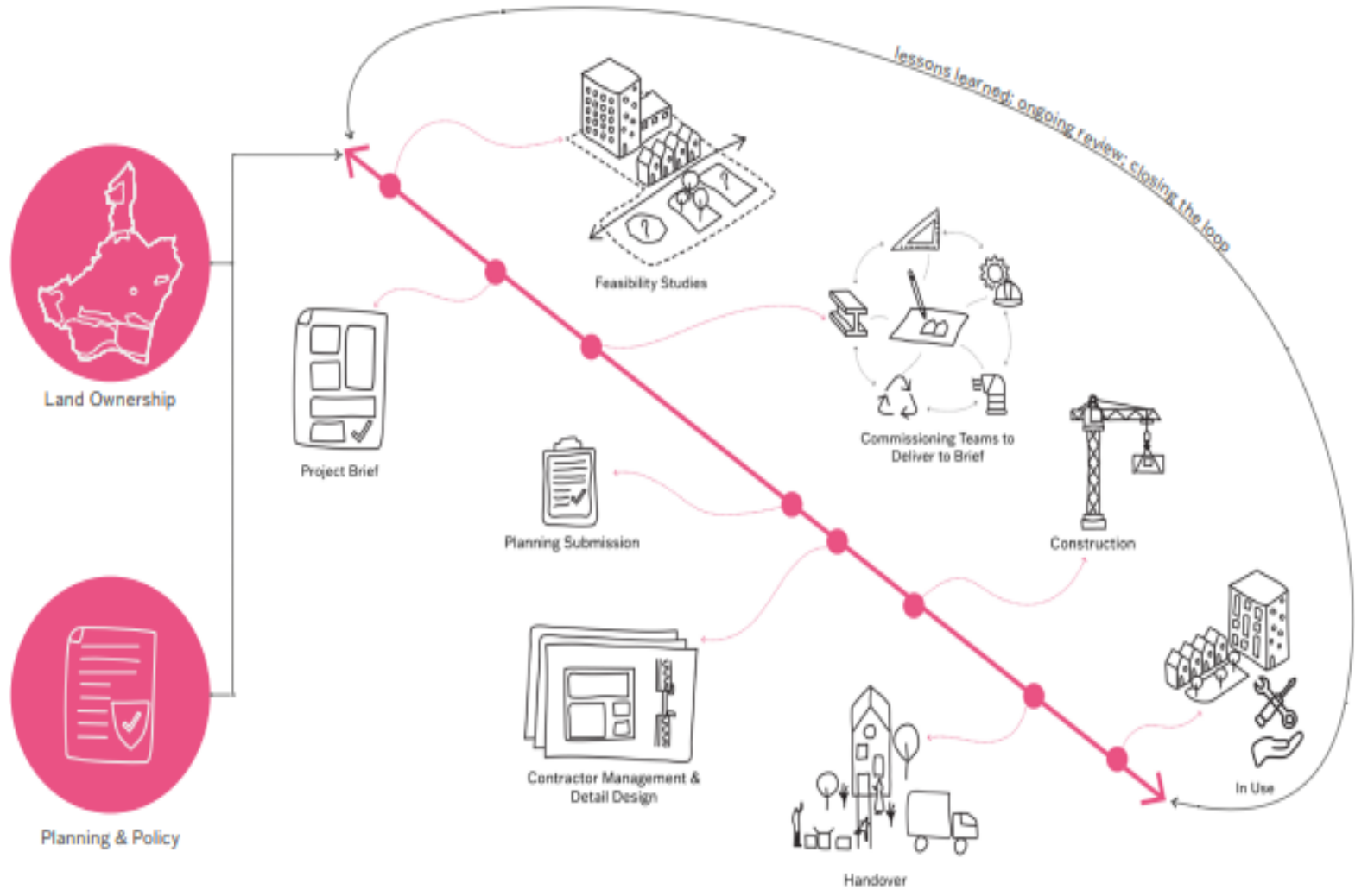
### Asset management

BIM led process and digital asset management, monitoring and engaging with residents



**BeFirst**

# End-to-End service



Risk Management

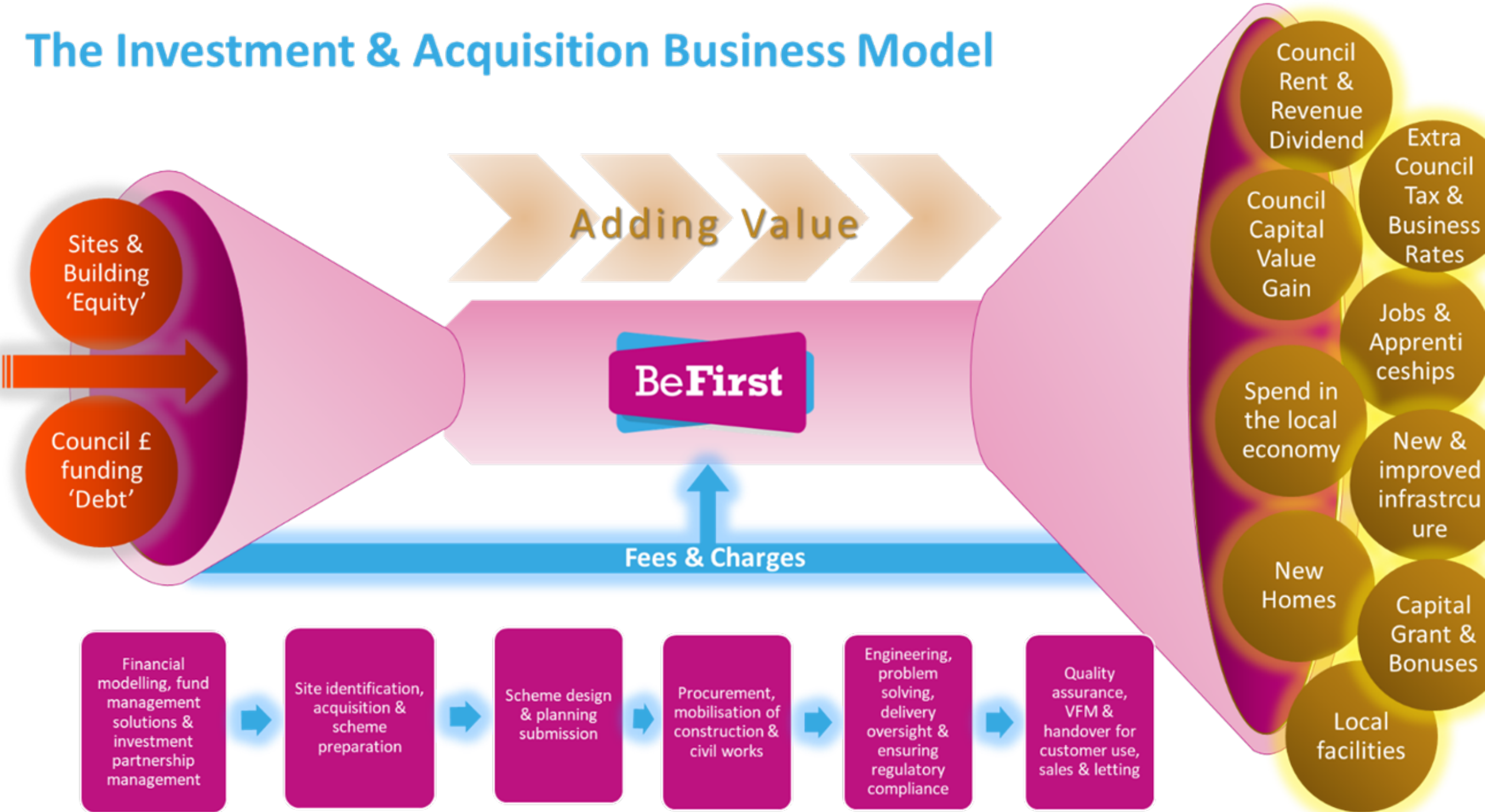
Governance

EDI & Social Value

Reporting

Stakeholder Management

# The Investment & Acquisition Business Model

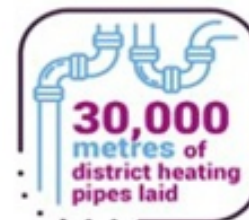


# Delivering a difference to Barking & Dagenham

We continue to strive to make better the lives of residents and businesses and to support the council in meetings its public service commitments.

Our notable achievements include:

- ✓ 451 further homes 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 our contractors.
- ✓ 80 weeks of work experience delivered.
- ✓ £22m spent in 2022-23 with local small to medium sized businesses.
- ✓ Delivery Team of the Year 2022-23 at Direct Delivery Awards.
- ✓ 1st ranked planning service in London & the UK.
- ✓ London Borough of Barking & Dagenham Planning Committee supported in approving 9,000 new homes for the borough over the last 3 years.
- ✓ 100% of planning applications determined in time.
- ✓ 2 Architecture awards for 200 Becontree.



# Where we are now Conclusion

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.

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.

Be First's initial 6 years has established a good track record and reputation – for 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.

This provides a strong base but clearly new tools/ways of working are going to be needed.....



Any Questions?