

HAYES ESTATE REGENERATION PROJECT UPDATE

Committee name	Property, Highways and Transport Select Committee
Officer reporting	Perry Scott – Corporate Director of Place
Papers with report	Appendix A – Hayes Town and Avondale Drive Redevelopment Newsletters

HEADLINES

Summary	This report provides an update regarding the ongoing delivery of the Hayes Regeneration Project.
Putting our Residents First Delivering on the Council Strategy 2022-2026	<p>This report supports the following Council objectives of:</p> <ul style="list-style-type: none">☐ <i>Our People;</i>☐ <i>Our Built Environment;</i>☐ <i>Strong financial management.</i> <p>The regeneration of the two estates also contributes to the Council's Housing Strategy 2021/22 - 2025/26.</p> <p>Additionally, the report supports our ambition for residents / the Council to 'Live in good quality, affordable homes in connected communities'.</p>
Financial Cost	Total gross expenditure for the project is forecast to be £169.8m. After secured GLA grant, sale receipts and land receipts, net expenditure is forecast to be £91.5m. Capital financing is fully provided for in the MTFF.
Relevant Select Committee	Property, Highways and Transport Select Committee
Relevant Ward(s)	Hayes Town and Wood End

RECOMMENDATIONS

That the Committee note the contents of the report.

SUPPORTING INFORMATION

Background

Hayes Town Centre Estate, sometimes known as Austin Road Estate, consists of 260 homes including 79 leasehold properties built in the 1970s consisting of medium rise flats and

maisonettes with a high-rise point block of 15 storeys, made up of a mixture of 1,2 and 3 bedroom homes.

The Avondale Drive Estate, also in Hayes, contains 144 homes, of which 28 are leasehold properties. The Estate consists of three 'system built' 12 storey point blocks constructed in the late 1960s and all flats have two bedrooms.

In response to concerns raised by residents about building condition and anti-social behaviour on these estates, the Council has been exploring ways to improve the standard of residential provision for current residents.

It has also taken into account the opportunity to deliver additional housing supply and a high-quality public realm, which is in line with its planning policies for Hayes town centre, the Hayes Housing Zone and the Borough generally.

Following options appraisal, in October 2020 Cabinet agreed that officers should undertake further design work on a redevelopment option for both estates, in consultation with residents, with final proposals on the re-housing offer and indicative design to be put to residents in a GLA compliant resident ballot.

In May 2021 the results of the two ballots were both positive, 79% in favour at Hayes Town Centre and 94% in favour at Avondale Drive.

To ensure that the redevelopment could be delivered, in June 2021 the Cabinet authorised officers to undertake a developer procurement exercise for the two estates, and a strategic pipeline of projects. They also authorised the submission of two hybrid planning applications for the first two estates identified (Hayes Town Centre and Avondale Drive), alongside the acquisition strategy and possession strategy to facilitate an early start on site once a developer partner had been procured.

On 24 March 2022 Cabinet approved Higgins PLC as the preferred bidder and granted delegated authority to approve the final contract terms to the Leader of the Council and Cabinet Members for Property and Infrastructure, Environment, Housing & Regeneration and Finance, in consultation with the Corporate Director of Place.

On 11 July 2022 the Leader of the Council and Cabinet Members approved the final award of contract to Higgins Partnerships 1961 PLC as the developer partner for Hayes Town Centre and Avondale Drive Estates to facilitate their redevelopment and for the strategic pipeline of potential developments described in the procurement documents.

In September 2022, the Council obtained planning consent for the scheme that residents were consulted on and the Council entered into contract with Higgins Partnerships to build new homes for the residents of the Estates.

The Council also entered into a Strategic Partnering Agreement (SPA) with Higgins, which has a term of 10 years and may be extended by up to an additional 5 years. Under the terms of the SPA the Council can request that Higgins prepares a business case in relation to identified project

sites. Where a business case is approved by the Council the parties may enter into a development agreement on terms similar to the contract for the redevelopment of the Hayes Estates. The SPA is non-exclusive and the Council is free to seek alternative solutions for the identified sites.

PERFORMANCE DATA

The contract with Higgins provides for the delivery of their proposed re-design of both Estates, which compared to the Council's planning consents for the Estates, results in an uplift in numbers of homes, including additional affordable homes and overall improved designs and phasing.

Construction is planned to take place in five phases at Hayes Town Centre and three phases at Avondale Drive. The affordable housing at both Estates will be delivered earlier than originally envisaged, with the first phases at both Estates delivering 110 homes for existing residents by summer 2025. The remaining affordable housing is planned to complete by 2028.

The contract sets out key milestone events and associated target dates to deliver their scheme. Key target dates are set out in the table below:

Hayes Town Centre			
Phase	Tenure	Start on Site	Practical Completion/Handover
1	Social rent & shared equity	25 th May 2023	8 th May 2025
2/3	Social rent, shared equity, London affordable rent & private sale	8 th June 2025	8 th March 2028
5	Social rent & shared equity	8 th June 2025	8 th August 2027
4	Private sale	8 th April 2028	8 th October 2031

Hayes Town Centre – Key Target Dates

Avondale			
Phase	Tenure	Start on Site	Practical Completion/Handover
1A	Social rent	25 th May 2023	3 rd February 2025
1B	Social rent, shared equity, London affordable rent & private sale	18 th December 2023	9 th November 2026
2	Private sale	9 th December 2026	9 th October 2029

Avondale Drive – Key Target Dates

Higgins started on site in September 2022 and has made good progress in carrying out enabling works including surveys, asbestos removal and utility disconnections, to facilitate demolition works starting at the end of May 2023. The works are currently on programme.

Higgins' proposed design for Hayes Town Centre provides 551 homes, of which 276 are council homes, either for rent or returning leaseholders. The remaining 275 homes are for private sale. At Avondale Drive, Higgins' proposed design provides 310 homes of which 121 are council homes, either for rent or returning leaseholders, with the remaining 189 for private sale. Higgins has held a number of pre application meetings with the Council's planners to progress implementing their proposed designs. Design consultations with residents at both Estates were held in January, which were well received.

RESIDENT BENEFIT

At Hayes Town Centre, Higgins' proposed design at Hayes Town Centre provides 202 social rent, 45 London affordable rent and 28 shared equity homes and at Avondale Drive provides 121 homes for social rent and 3 homes for shared equity. Overall their designs provide 12 more council homes than the Council's consented planning scheme.

Higgins' scheme delivers the affordable housing at both Estates earlier than originally envisaged as set out above.

The redevelopment will not only improve the physical redevelopment but also the social environment by putting residents first. The contract with Higgins includes a comprehensive approach to stakeholder engagement including a senior Resident Liaison Officer and Resident Liaison Officer on each Estate. In addition a wide range of Social Value Initiatives to meet the needs of the residents and local community will be delivered.

In order to establish the needs and priorities of residents, the estate regeneration partnership team worked with residents at meetings held in February and March 2023 to develop a social value charter and community activity plan for Hayes Town Centre and Avondale Drive Estates. The resulting priorities include providing opportunities for all residents regardless age or background to get involved, improve wellbeing and safety on the estates and better access to local facilities. To date initiatives have included an estate fun day, energy saving workshops, Eid Celebrations, estate coffee morning, quiz for residents to come together in a safe space post pandemic to address the needs of older and vulnerable adults on the estate, health awareness workshops in partnership with Hesa Clinic and a meeting with the Metropolitan Police. The benefits of these initiatives have included employment, raised residents' awareness of ways to save money relating to energy and provided practical MOT health check advice around health, crime and community safety.

Further timetabled activities include resident estate clean up days, engaging with youth through sport, family fun days, and bingo. Financial exclusion and digital workshops are also underway.

Higgins has provided financial support to several organisations operating locally including the Austin Estate Sewing club and BUILD; a construction social enterprise to upskill residents. Future work with the estate resident engagement panels and wider community groups is planned to attract and unlock external match funding to run further initiatives in a multi partnership approach.

The partnership will maximise job creation through construction apprentices and local labour opportunities and Hillingdon local businesses supply chains. To date, one resident has been successful in being appointed as a Resident Liaison Officer and work is underway with BUILD to run a series of construction workshops for women.

The social impacts of the regeneration are monitored and evaluated at monthly scheme social value partnership meetings with representatives from the Council and Higgins. In addition Higgins

produce a quarterly monitoring report.

A summary of information and events is outlined in the quarterly estate newsletters and partnership website.

FINANCIAL IMPLICATIONS

The Hayes Regeneration Project commenced in 2021/22. Total gross expenditure for tenant decant, land assembly, and regeneration works is forecast to be £169.8m. The current MTFF 2022-28 has allocated gross capital financing of £161.0m. After secured GLA grant of £44.4m, estimated shared equity sales receipts from returning resident leaseholders of £7.9m and land receipt of £26.0m, the total net cost to the council is forecast to be £91.5m.

LEGAL IMPLICATIONS

NIL.

BACKGROUND PAPERS

NIL.

APPENDICES

1. Hayes Town Centre Estate April 23 newsletter
2. Avondale Drive Estate April 23 newsletter

Higgins & Hillingdon Council website link: <https://www.hi-higgins.co.uk/>