

Update on Hayes Regeneration Project

Committee name	Corporate Resources and Infrastructure Select Committee
Officer reporting	Michael Naughton, Head of Capital Programme Works Service
Papers with report	None
Ward	Hayes Town and Wood End

HEADLINES

This report provides an update regarding the ongoing delivery of the Hayes Regeneration Project. The regeneration of the two estates contributes to the Council's Housing Strategy 2021/22 - 2025/26. Additionally, the report supports the wider Council Strategy 2022-2026 and the Council's ambition for residents to 'Live in good quality, affordable homes in connected communities'.

RECOMMENDATION:

That the Committee note the content 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.

Following the decision by the Council to proceed with Higgins on HTC phases 1 and AVD 1a, a Deed of Variation (DoV) to the Development Agreement has been progressed with Higgins and it is now in place.

Higgins is continuing to discharge planning conditions for HTC phase 1 and Avondale phase 1a. Higgins and the Council have been working together to explore accelerating the programme for future phases, both in accelerating the planning process but also the construction of future phases, which could involve redefining the extent of future phases or merging phases.

PERFORMANCE DATA

The contract with Higgins provides for the delivery of their proposed re-design of both Estates (subject to the Deed of Variation), 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 in 2025. The remaining affordable housing is planned to be completed later.

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

Hayes Town Centre

Practical Completion/Handover

Phase 1: September 2025

Later Phases: To be agreed

Avondale

Practical Completion/Handover

Phase 1A: July 2025

Later Phases: To be agreed

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 due to complete on Phases 1 and 1A as per the above dates. Work has progressed on both sites and currently, phases 1 and 1A are at roof level and a topping out ceremony is scheduled for 15th November 2025.

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 2023, which were well received.

RESIDENT BENEFIT

At Hayes Town Centre, Higgins' current 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, football event, pizza event, etc., 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.

Further consultation meetings have been held with the 17 no. resident leaseholders remaining on both estates to find out their future housing aspirations. A brochure providing further information on the shared equity option, including flat type layouts and prices, is being worked up. Details of how the process will work are being firmed up, as the leasehold properties will be acquired by the council under the Compulsory Purchase Order (CPO) process before 22nd March 2025, ahead of their new homes being completed in July-September 2025.

The partnership will maximise job creation through construction apprentices and local labour opportunities and Hillingdon local businesses supply chains. From the start, a 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. This has continued and further opportunities have now been filled locally.

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 approved MTFF budget for the Hayes Regeneration Programme is £160,982,000, covering both build costs and land assembly up to 29/30. As at the commencement of the 2024/25 financial year there is £132,298,000 of this sum remaining.

As a consequence of regulatory changes and inflation since the budget was agreed, it is highly likely that the re-planned costs of the full project will exceed the total budget. Further work will be required to propose an amended total budget, and it should be noted that this work would need to make assumptions around inflation, as well as the outcome of future commercial negotiations that may not take place for a considerable period of time. This work will therefore be indicative for the time being.

GLA funding of c. £50 million has been secured across both schemes. £20 million of this grant relates to Phases 1 at Hayes Town Centre and 1a at Avondale Drive, with the remaining amount relating to later phases. The Council has drawn down c.60% of the allocated grant on the basis the units will be delivered in line with programme dates reported to the GLA.

LEGAL IMPLICATIONS

None at this stage.

BACKGROUND PAPERS

[Previous Cabinet decisions on the project](#)

APPENDICES

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