



Cabinet
13 August 2018

**Report from the Strategic Director
of Regeneration & Environment**

Approval to enter into grant agreements for two Housing Infrastructure Fund bids relating to South Kilburn and Northwick Park Regeneration Programmes

Wards Affected:	Kilburn, Northwick Park
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
No. of Appendices:	N/A
Background Papers:	N/A
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Jill Rennie Senior Project Manager, Estate Regeneration Email: jill.rennie@brent.gov.uk Tel: 020 8937 2556

1.0 Purpose of the Report

- 1.1 To update Cabinet on two Housing Infrastructure Fund bids which have passed the first stage of the Ministry of Housing, Communities and Local Government (MHCLG) approval process for funding and are now going through a due diligence process.

2.0 Recommendations

That Cabinet:

- 2.1 Agrees to receive grant funding and enter into grant agreements with the Greater London Authority for two Housing Infrastructure Fund bids relating to South Kilburn and Northwick Park Regeneration Programmes.
- 2.2 Delegates to the Strategic Director Regeneration and Environment in consultation with the Chief Finance Officer and the Lead Member for Regeneration, Highways and Planning authority to agree the detail of the grant agreements referred to in 2.1 above for the bid relating to South Kilburn.
- 2.3 Delegates to the Strategic Director Resources in consultation with the Chief Finance Officer and the Leader to agree the detail of the grant agreements referred to in 2.1 above for the bid relating to Northwick Park.

3.0 Detail

- 3.1 The Housing Infrastructure Fund is a government capital grant programme to help unlock new homes in areas with the greatest housing demand. There are two streams to the funding. One stream is the marginal viability fund - to provide a piece of infrastructure funding to get additional sites allocated or existing sites unblocked quickly, for which bids can be up to £10 million. The other stream is the Forward Fund – for a small number of strategic and high-impact infrastructure projects, for which bids can be up to £250 million (<https://www.gov.uk/government/news/866-million-investment-to-help-unlock-potential-200000-new-homes>).
- 3.2 The Council submitted three bids to the marginal viability fund, two of which have been progressed and are now going through the due diligence process.
- 3.3 An indicative allocation of £9.9m has been made to Northwick Park to deliver a variety of infrastructure including site access works, to unlock a strategic site in London. This is a One Public Estate Initiative led by Brent Council, in partnership with adjoining public sector landowners (University of Westminster, London NW University NHS Healthcare Trust, and Network Homes). This is being led by the Property Team.
- 3.4 An indicative allocation of c£10m has been made to the Peel Development Site - South Kilburn Regeneration Programme. The proposal was to assist with the reconnection of the South Kilburn estate into the wider area, providing physical infrastructure and community services. The scheme was to physically reconnect cul de sacs to encourage vehicle connection through the estate, but also giving a greater emphasis to pedestrians and encouraging cyclists, and included providing funding to the new Health Centre at the Peel and services work. Due to the passage of time, elements of the bid are being amended. The Peel project was envisaged that it may not be self-financing due to the inclusion of a health centre to be delivered by the selected developer. However, as the procurement process has progressed this has not been the case as officers have worked to produce a procurement package which would be appealing to the market. As a result, road infrastructure works are still proposed (though partially amended) alongside site assembly to acquire property(ies) required to deliver future phase(s) for South Kilburn. The due diligence process is currently being completed. This is being led by Estates Regeneration.

4.0 Financial Implications

- 4.1 The payment structure has not been finalised. The Council expects the payment mechanism will be one whereby the Council makes initial payments for the works/costs and then submits retrospective funding claims to the Greater London Authority (GLA).
- 4.2 The financial model for the South Kilburn regeneration programme seeks to be self-financing within the funding envelope generated from land sales which are ring-fenced. All the capital receipts generated are reinvested back into the South Kilburn regeneration programme which enables the rolling regeneration programme to continue to deliver much needed new homes to help meet the Council's housing delivery target. The Council seeks external funding where

possible to assist with the delivery of the programme, of which the HIF is one such funding stream sought.

- 4.3 Northwick Park has already received £530,500 One Public Estate grant funding through successful bids in Round Four and Round Six. This is being used to develop joint proposals for the Northwick Park redevelopment. It is envisaged that an infrastructure agreement will be entered into by all four partners. This will set out, amongst other things, how land swaps will be valued and dealt with, how the infrastructure fund will be managed, roles and responsibilities of partners and how the partners will work with third parties, such as Transport for London.

5.0 Legal Implications

- 5.1 Grant funding from the marginal viability element of the Housing Infrastructure Fund is made pursuant to section 31 of the Local Government Act 2003. The MHCLG is responsible for the Housing Infrastructure Fund but has nominated the GLA as the administrator for any HIF awards to London councils.
- 5.2 Any grant funding received will be subject to certain conditions such as, the grant money is spent on capital, the scheme will be delivered to programme to agreed dates. Failure to adhere to such conditions could require the Council to refund some or all of the grant received.
- 5.3 The detail of the grant agreements will need to be agreed with the GLA. At this time the grant agreements are not yet available for review and delegated authority to the Strategic Director Regeneration & Environment in consultation with the Chief Finance Officer and the Lead Member for Regeneration, Highways and Planning (for the bid relating to South Kilburn), and delegated authority to the Strategic Director Resources in consultation with the Chief Finance Officer and the Leader (for the bid relating to Northwick Park) is therefore sought.
- 5.4 The Council will be responsible for ensuring that any funding awarded will be spent in accordance with all applicable legal requirements, to include state aid, public procurement law, wider public law (including the Public Sector Equality Duty), and planning law.

6.0 Equality Implications

- 6.1 The public sector equality duty, as set out in section 149 of the Equality Act 2010, requires the Council, when exercising its functions, to have “due regard” to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act, to advance equality of opportunity and foster good relations between those who have a “protected characteristic” and those who do not share that protected characteristic. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.
- 6.2 Having due regard involves the need to enquire into whether and how a proposed decision disproportionately affects people with a protected characteristic and the need to consider taking steps to meet the needs of persons who share a protected characteristic that are different from the needs of persons who do not share it. This includes removing or minimising

disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic.

- 6.3 There is no prescribed manner in which the Council must exercise its public sector equality duty but having an adequate evidence base for its decision is necessary.
- 6.4 For South Kilburn. Equality considerations for the acquisition of site(s) will be included at a project level as part of the individual project. Equality consideration for the road infrastructure work will be carried out whether at a project level where it is attached to a distinct project or will be carried out as part of its own road infrastructure project. The project(s) will be subject to an initial screening and where the potential for impacts is identified, a full “Equality Impact Assessment” will be carried out and the necessary mitigating action taken.
- 6.5 For Northwick Park. Consideration will be given to the potential for equality impacts at a project level. The project(s) will be subject to an initial screening and where the potential for impacts is identified, a full “Equality Impact Assessment” will be carried out and the necessary mitigating action taken.

7.0 Consultation with Ward Members and Stakeholders

- 7.1 The paper will be circulated to Ward Members
- 7.2 Consultation will be carried out as appropriate on the projects.
- 7.3 South Kilburn - consultation is an on-going part of the programme. At a project level, projects have a series of consultation activities in taking the projects to planning. The South Kilburn Masterplan review took place in 2016, we took an inclusive and participatory approach to consultation and engaged with residents and stakeholders of South Kilburn with extensive local consultation from July through to December 2016, which directly fed into the drafting of a revised South Kilburn Supplementary Planning Document 2017 (SPD). The SPD will be drawn on in regards to the road infrastructure works.
- 7.4 Northwick Park - there has been ongoing dialogue with ward Councillors and the GLA. As members may be aware Brent’s planning department is engaged in consultation on the local plan, for which Northwick Park has an allocation. The next stage of further public consultation, by Brent’s planning team is a full draft Local Plan document also known as ‘Preferred Options’, is scheduled for publication in November 2018. It is proposed to run public consultation specific to Northwick Park in parallel with this.

8.0 Human Resources/Property Implications

- 8.1 The acquisition of site(s) will require the Council to manage properties until the sites are developed.
- 8.2 Additional staff resource maybe required to deliver the projects.

Report sign off:

AMAR DAVE

Strategic Director of Regeneration and Environment