



# Minutes of the 4EF Meeting

With Carol Matthews CEO Riverside

2.30pm 22<sup>nd</sup> March '23

Phoenix Heights Community Centre

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| <b>Present</b> |  |  |
| Residents:     | Candida (chair), Arthur (mins), Jenny, Maggie, Maureen, Jill, Jackie, Ahmed, Glen  |  |
| Advisor:       | Mike Tyrrell   |  |
| R'Side/OH      | Carol Matthews, Robert Marcantoni (Group Director of Development), Chris Hageman (Regeneration Manager), Paul Handley (Head of Island Regeneration),   |  |
| Apologies:     | Kim, Julius, Lesley, Eliza, Daniel, Ahmed, Peter, Pam,   |  |
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| 1.             | It was noted that his meeting was at a difficult time (2.30) for residents to attend due to work commitments. However it meant that it was able to take place sooner than it otherwise might have.   |  |
| 2.             | <b>Review of Regens current situation (Chair)</b> <ul style="list-style-type: none"> <li>• KS&amp;W - Planning hoped for summer 2024 but only 12 properties have decanted so far.</li> <li>• AS&amp;O - Planning hoped for winter 2024.</li> <li>• Kingsbridge – Setting up a design Team involving residents from all tenures.</li> <li>• Samuda – Early stages of consultation.</li> </ul>       |  |
| 3.             | Decanting residents onto the Common Housing Register seems to be a problem, and the prices of properties both for falling for the selling market to finance the developments and the cost for buying back properties from Leaseholders.  |  |
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|                | <b>Impact of the Financial Situation on Regeneration</b>   |  |
| 4.             | New fire regulations will probably mean 2 staircases will be required in buildings above 18m (about 11 floors). This will add significant extra costs.   |  |
| 5.             | R'side is still very committed to the regen projects on the Island and has taken steps to ensure it can afford it.   |  |
| 6.             | R'side has removed the "Aspirational" element of its own developmental potential eg not building new properties on land it owns and not undertaking or being partners in other development schemes. This frees up money for the IOD projects. It does change R'Side's business plan as new developments will no longer be considered a priority and it will concentrate instead on existing regen. |  |
| 7.             | R'side has handed back its grant allocation to the GLA so OH can use the joint allocation following the merger. This creates more capacity for borrowing for OH.   |  |
| 8.             | R'side has a regen project in Bromley that will go ahead as those residents have been given the same promise.  |  |

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| 9.  | The eventual designs of the projects will probably change because of the extra staircase needed in some of the higher buildings or making some of the higher buildings lower so they do not need one.   |  |
| 10. | OH is in constant communication with TH about their proposed plans and ideas and keeps an eye on the GLA directives. While OH does have a reasonable idea about what planning changes will be proposed in the coming months, other developers' schemes will be in the same situation – waiting for clarification before they put in Planning Applications so there will probably be a bottleneck of applications coming all at once.                    |  |
| 11. | Because of the need to re-phase the regeneration programmes to make them affordable in the current financial climate, the new homes will be coming online later than was originally hoped for.  |  |
| 12. | Proper maintenance for properties/buildings whose regeneration is being delayed will be done to keep them in a good condition. Buildings will not be 'run-down.' Both Kedge and Kelson have significant problems that will have to be addressed.  |  |
| 13. | Viability Assessments will be reviewed on a regular basis to ensure the projects remain affordable and within cost.   |  |
| 14. | R'side has just been awarded an £11.7m grant they bid for from the G'ment's De-carbonisation Initiative. This is enough for 1100 homes.   |  |
| 15. | OH is still aiming to deliver 50% affordable housing in each of its projects. There needs to be provision of a variety of tenures that meet the needs of their residents – shared ownership, affordable and social rents. The actual mix for each scheme will depend on the funding model needed to finance that scheme.  |  |
| 16. | R'side has avoided long-term borrowing as this is so expensive in the current climate. They are waiting for rates to become more reasonable.  |  |
| 17. | Bellamy & Byng St's programme has slipped 1 year for several reasons but mainly being unable to rehouse residents during the pandemic. The other 3 projects are actually still running to schedule so do not think the slow decanting process is a problem.   |  |
| 18. | R'side /OH must achieve a balance between maintaining their properties, major work programmes and regeneration. There are always demands for more investment in each of these. R'side has put a lot of money into repairs and dealing with damp and mould this year and wants to reassure residents that they are even overspending their budget on this. They will publish these figures soon and their Business Plan will be available for residents. |  |
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|     | <b>Decanting</b>  |  |
| 19. | As R'side now has a G2 rating for governance it must be very careful about taking short cuts when decanting using the Common housing register even though there are grey areas about what HAS should and shouldn't do when it comes to prioritising their own vacancies.  |  |
| 20. | OH is looking at rehousing/ transfers across the whole of London not just in TH, and at the possibility of working with other G15 members to help each other out with decants. However keeping communities together is central to OH's rehousing strategy.  |  |
| 21. | Kingsbridge will be a challenge as emptying any one of the blocks will be a difficult task as there are so many leaseholders. Buy-backs are now being considered on a case-by-case basis.   |  |

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| 22. | OH will now look at being a bit more creative in its decanting policy.  |  |
| 23. | When it comes to financing developments, oversupplying properties for sale will devalue prices and this will affect the financial model for the block so the market needs to be managed. It is unclear if property prices are stable, stagnant or still rising now and what they will do in the future. |  |
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|     | <b>Restructuring following the Merger</b>   |  |
| 24. | R'side is going to be saving on some central services by integrating them (eg finance, IT and support services/care), but is protecting the Regeneration Team in London.  |  |
| 25. | Any changes to Customer Operations will not be for another 9 months or so when the central services are working together successfully. It would be too much to change too quickly.  |  |
| 26. | The Regen team has worked very well with residents and has become trusted by residents - they put residents at the centre. Can this approach be run out into the whole organisation where OH residents feel excluded and unimportant.   |  |
| 27. | Some examples of poor housing management were provided.   |  |
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| 28. | <u>Climate Change, Energy Efficiency and De-carbonisation</u> – new g' ment standards mean new homes have to be A or B+. Will OH be utilising communal heating systems and electric fleet vehicles? (see Glen's Questions and Observations at the end of the minutes)                                   |  |
| 29. | Tessa from Riverside could come and talk with residents about their environmental initiatives and plans. A workshop on Energy Efficiency might be welcome.  |  |
| 30. | Where R'side has tried retrofitting solar panels this has caused problems with roofing, damp and pests so they need to be more cautious now.  |  |
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|     | <b>Other Issues</b>   |  |
| 31. | St John's TRA office has been unusable for over a year because of water penetration.  |  |
| 32. | Castalia Sq housing office is still inadequate even though footfall has improved.   |  |
| 33. | Residents are cross that cuts in the proactive/planned maintenance budget mean a lot of our rent is being wasted because reacting to damage caused by no maintenance costs a lot more.  |  |
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### **Costs & Market Factors**

1. Building cost inflation: what is it now?
2. House prices Isle of Dogs: agenda 'suggests' slowdown in market, ie, price falls, unlike London. Is that true? Why? Is it because many properties coming onto the market now/soon?

3. What is the average sale price of a 2 bed flat on the Island now? (Range. Obviously it varies by location. Can you provide estimates for OHG's four proposed redevelopments).

4. Borrowing costs: until recent increases in interest rates, typical loan costs used to be:

a) Private developers: %7

b) Housing Associations: 3%-5%

What are they now? What are expected rates and trends over the next few years?

5. Affordable housing: the original viability assessments for Island developments planned to deliver around 48% 'affordable.' (52% market). How much can be delivered now? Can you include tenure details; rent levels, numbers of shared ownership etc.

6. Deals to resident leaseholders in areas being consulted: how many have mortgages? For those who want to return but will have to move out before their new home is built, how many of their lenders won't transfer mortgages to a property that hasn't been built yet? How many is OHG helping to return? How?

### **Climate Change/energy efficiency/heating/design**

#### **The Social Housing Decarbonisation Fund (energy efficiency improvements)**

Successful bidders for round 2 have been announced. One Housing and Riverside both got nothing. So did Tower Hamlets council. (Hackney got £4.5m. Peabody got £25m. L&Q got £27m. Clarion got £49m. In round 1 housing associations could only put in bids through local authorities. One Housing & Tower Hamlets both got nothing)

1. Did OHG & Riverside bid for funding?

2. If not, why? If you, did, how much for? Have you been given any reasons for your bids being turned down?

#### **Heating & Design for new homes**

Redevelopment of Kedge House etc in Tiller Road is already being planned. One Housing and Riverside also must have company policies on standards for new developments.

1. Will new blocks have flat roofs? (They don't last as long)

2. Will they have solar panels?

3. The Future Building Standard: from 2024 new buildings will have to demonstrate improved energy efficiency. (A 75% reduction compared to previous standards has been proposed). How will new Island developments meet that?

4. Energy Performance Band: will new homes be in Band A, B, C, or D?

5. Will new homes be connected to local Heat Networks, (like the Combined Heat & Power scheme on the Barkantine or new ones?)

6. Heating: for blocks NOT connected to a District Heat Network, will communal heat pumps be installed, as opposed to individual gas boilers in all flats? Can heat pumps work in blocks? Or is it intended to have communal gas boilers in each block?

#### **7. Electric vehicles**

a) How many vehicles (vans and cars) does One Housing and Riverside own?

b) How many are electric now?

c) Do you have plans for 100% of your vehicles to be EVs? By when?

#### **Design of new estates (enabling full participation)**

Only residents in affected areas are being consulted about the designs of blocks and flats. Can interested representatives of the 4EF and TRAs also be involved in consultations? (There are several good and bad examples of new developments on the Island. From experience, members may have suggestions for problems to avoid, and positive suggestions).