

Sustainable Communities Overview and Scrutiny Panel

Update on Merton Regeneration Project 3rd November 2022

1. Progress on the Three Estate

We are currently working on all three Merton Regeneration Project estates (Ravensbury, High Path and Eastfields).

- **Ravensbury:** Phase 2 is well underway, with Henry Construction making good progress. The [Ravensbury Live 2](#) digital engagement site is attracting hundreds of views per month, as residents track progress of their new homes.

We expect the first of 50 new homes to be ready for occupation in the summer of 2023. All are earmarked for existing Ravensbury residents.

- **High Path:** the 134 Phase 1 homes are now almost all occupied. The General Needs households were rehoused some months ago. Progress on moving existing homeowners who have chosen to stay has been slower than planned, largely due to two factors. Firstly inefficient conveyancing from our appointed lawyers and, in some instances, remortgaging delays (usually around valuations). Secondly, negotiations with HMRC to confirm Clarion's and residents' SDLT liability.



High Path Phase 1 is now complete

Overall, feedback from residents in Phase 1 continues to be positive. These first few months have also pointed up some weaknesses in our systems e.g. dealing with defects and repairs in new, multi-tenure buildings. Site visits and internal workshops to capture that learning and continuously improve are already underway. We continue to prepare for High Path Phase 2, due to start on site in March 2023. Securing vacant possession (VP) of homes in the Phase 2 area is crucial. The great majority of private homes have been secured, with many homeowners already living in new Phase 1 homes. There remain 3 homes to acquire. Securing Phase 2 VP is our top priority on High Path currently.

We have undertaken several engagement events in preparation for the submission of Phase 3 and Phases 4 – 7 planning applications (both due in December). As Covid concerns recede, increasingly these are run in person, with an online alternative.

A trial balcony greening project for the new residents of Phase 1 has been well received. Jointly run with Sustainable Merton, the project involves gifting window boxes and suitable plants to residents, with a follow up held in October based on spring bulb planting.

High Path featured in the Open House London Festival 2022.

- **Eastfields:** the Phase 1 planning application was approved by LBM in May, paving the way for engagement with homeowners and tenants living in the Phase 1 site. This then involved follow up consultations based on subsequent amendments.

As with High Path, achieving VP in this location is critical to ensuring our target start on site (March 2023). For this to happen, a number of complicated, interdependent steps need to be taken:

- Assured Shorthold tenancies (AST) across Eastfields have to be ended
- New temporary (AST) tenancies to be created on High Path, in homes freed up by the permanent relocation of existing households to High Path Phase 1
- These homes then have to be made ready for reletting and AST households moved from Eastfields to High Path
- The vacated Eastfields properties are then prepared for reletting
- Households (homeowners and tenants) living in the Eastfields Phase 1 area are temporarily relocated into these newly prepared homes, whilst
- We build their new permanent homes (Eastfields Phase 1)

We have been working closely with LBM colleagues to coordinate these various moves, and in particular support the Assured Shorthold tenants into new homes on High Path.

We have completed valuations of all the privately owned homes in Phase 1 and made offers to those homeowners. We are currently negotiating to buy their properties. Achieving VP will continue to be the key objective for the rest of the year.



Eastfields Phase 1 starts 2023

- **Compulsory Purchase Orders:** the preparations for the Compulsory Purchase across the three estates has made good progress. The period for objections has passed (though in reality objections can be considered until the date of any CPO inquiry). There have been a handful of objections from residents living on the three estates. Other objections have come from statutory bodies and individuals living near High Path, a number of whom we are already in negotiation with.
- **Buy Backs and Guardians:** we continue to run an extensive programme of buying back properties, helping create VP for future phases. 44 homes have been bought so far this year, with another 37 under offer.

These homes offer us temporary accommodation as Assured Shorthold tenancies, helping relieve the pressure on LBM's housing waiting lists. The remainder we treat as short life (i.e. needed for demolition in early phases of regeneration) and let on licence via a guardian service. This ensures the homes have a useful life up until the last minute, often offering temporary accommodation for key workers in the area (e.g. a number of the guardians living on High Path work at the nearby St Helier Hospital).

2. Social Value Activities

The social value we can create through our regeneration projects and the team's activities continues to generate good results. We have continued to build on jobs and training created on High Path Phase 1 with a further 3 jobs and 20 vocational qualifications in the past twelve months. At Ravensbury 8 new jobs have been created as Phase 2 picks up speed, with a further 70 vocational training outputs and 70 pre-employment training interactions. Through our partnership with Eurocell, almost 5 tonnes of removed UPVC windows have been upcycled to create new windows. We have a programme of community events for Eastfields as we wait for the first new homes to get underway, and delivered 4 school engagement events in the past year (including a morning at Merton Abbey Primary School as part of consultation on the future of High Path).



High Path balcony greening project

3. Sustainability

Clarion are delivering a comprehensive programme of sustainability initiatives as part of the Merton Regeneration Project, including social, economic and environmental improvements. Much of that is driven through our Social Value activities, including support for local community groups, clean up days, volunteering by Clarion staff and our contractors. Our approach to procurement ensures employment, apprenticeship and training opportunities for local residents and others throughout the area.

In terms of environmental sustainability, Clarion are already designing our new homes to be net zero carbon compatible, which means that new designs will not include any fossil fuel heating systems. This will apply to all homes completed by 2025. Additionally, there are a number of interventions worth noting in the Merton Regeneration Project:

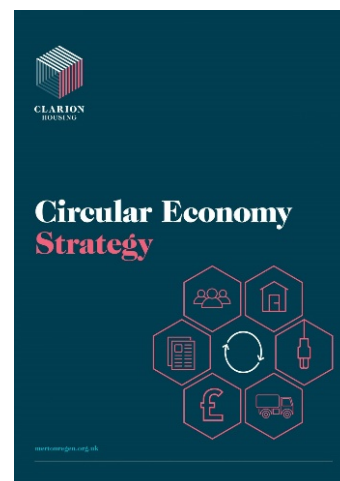
- High Path phases 1 and 2 include a communal boiler on site. This is gas powered. Phase 3 includes an air source heat pump-powered energy centre. When this comes on line we will decommission the boiler. From that point onwards these first three phases and all future phases will be connected to the energy centre
- All the new homes have underfloor heating (i.e. no radiators), using a low temperature water system which requires significantly lower energy than traditional systems
- There are smart monitoring systems allowing residents to track energy usage and heat their homes zonally, reflecting different patterns of usage during the day and night
- We have adopted a fabric first approach, focussing on air tightness, insulation and wall and floor build up. This helps maintain an even temperature irrespective of external conditions
- New homes include Mechanical Ventilation with Heat Recovery (MVHR), extracting moisture-laden air and resupplying fresh, filtered air whilst at the same time recovering heat in that extracted air
- The new homes under construction at Ravensbury also have air source heat pumps
- There will extensive use of photo voltaic arrays throughout the three sites

The project also includes a number of green initiatives:

- Green roofs and blue roofs (to limit water run-off and retain it on site)
- Sustainable urban drainage (SUDs) on all three estates but especially at Ravensbury to help deal with flood risk in that area
- New public parks for both Eastfields and High Path
- Hundreds of new trees planted
- New play areas and greenspaces throughout the three sites

Finally, Clarion's Circular Economy Strategy has been developed off the back of the activities and ideas we have been developing within the Merton Regeneration Project. This has included:

- Pre demolition audits of buildings to identify and find use for the materials they contain
- This was first undertaken at the Old Lamp Works (the site of High Path Phase 1) and Ravensbury Phase 1 (which included the retention and reuse of bricks from demolished properties)
- The testing and rehoming of white goods left behind when residents move into their new homes, with appliances redistributed by Dons Action Group
- The upscaling of UPVC windows to create new windows



4. Continuous Improvement: Phase 1 Ravensbury and Phase 1 High Path

Taken together the first two phases on Ravensbury and High Path represent 155 new homes – a not insignificant number but just 5% of the total number of new homes the Merton Regeneration Project. These early completions offer many opportunities for us to learn from and improve upon. There are three key areas we are concentrating on in the work underway to capture that learning:

1. The experiences of residents as they prepare to move, the moving process itself, and their first few months in the new homes
2. How Clarion's own services have responded to these new circumstances (e.g. repairs, dealing with defects, cleaning and maintenance regimes)
3. The handover process from the contractor to Clarion

Residents' experiences: for most residents the experience has been positive, especially for those who had previously been experiencing overcrowding. The Regeneration Managers played a full and supportive role in helping people prepare for the move, pack up, arrange removals, etc. The new homes are light, energy efficient, well equipped and with high ceilings throughout.

However, we can make improvements. Leaseholders and freeholders saw significant delays as we went through the process of buying back homes and confirming ownership of the Replacement Home. Although a cornerstone of the Residents Offer, the bespoke nature of the Replacement Home offer meant we were breaking new ground with mortgage lenders, solicitors, valuers and HMRC. This involved extensive back and forward between various bodies, with HMRC in particular taking months to come to a position on how to treat stamp duty (SDLT).

We now have an agreed position for all future Replacement Homes with a number of the major lenders and, critically, HMRC. The poor performance of our own appointed conveyancing solicitors added further delay. In future, all such transactions will be handled in house by our own legal team.

Clarion's Services: some of the issues residents faced when trying to report a defect or repair in these early days can be attributed to Clarion's cyber security issues, but not all. There are a number of key areas we will be reviewing in the next few weeks:

- The arrangements for reporting defects
- How the judgement is made as to what is a defect and what is a repair
- The role of housing management once residents have moved into their new homes
- Adapting our cleaning regimes and maintenance of common parts to reflect the new buildings, patterns of usage and quality of components
- Improving the explanation of the new energy systems, how to operate them efficiently and the way bills are calculated

Handover process: Although the quality achieved by both contractors on the two sites is good (United Living at Ravensbury, Hill Construction at High Path) neither were snag free. We are exploring how we can tighten up on the handover process, with perhaps the Regeneration Manager for the site accompanying the Clerk of Works on pre-handover inspections.

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