

Written Questions to Partners

Redmond Community Centre

Woodberry Blooms: Is the selling of teas, coffees and ice creams to the general public in the Redmond Centre permitted. Does the centre need to be registered to do this? It seems that the local cafes that pay rent, business rates etc could have grounds for complaints if such operations could be classed as unfair competition because Redmond Centre is a community centre with lower operating costs. I think there is probably a need for teas and coffees to be served at the Redmond Centre as part of a policy of getting socially isolated people, some on low income, to the centre for a chat and perhaps free tea and coffee. Providing these services commercially is a different matter.

And do those putting forward proposals for Block D know this is going to happen?

Simon, I think this all links in with the overall retail strategy which we have not as a group discussed.

In answer to Hilary:

- Yes, we are a registered company and we are permitted to sell tea and coffee from the centre. It is a part of our business plan to diversify our income streams.
- Participants and volunteers are offered free refreshments as part of their activities (depending on what they're doing).
- If we were to provide free teas and coffees, we would need to be able to cover our costs for this service. For example, we would need to pay for cups, cleaning, staff costs, electricity. All of this costs and would need to be funded from somewhere.
- We have not heard anything back about Block D, but we are more than happy to let the working group know when they get in touch.

NHG

Sales of Shared Ownership homes seem slow - and if initiatives such as cashbacks etc are needed raises the question of are these homes too expensive. With a higher percentage of shared ownership 22% in Phase 3 compared with 22% to date, and 24% in later phases, how viable are shared ownership properties going forward.

It would be interesting to know what % of the property is being bought initially by shared ownership buyers in Phase 2 overall (is it the 25% minimum). And to know how many shared ownership properties there are in earlier phases and how many have staircased. What analysis has been done as to the viability of the shared ownership here in the light of the current prices. Presumably someone does a viability exercise on a regular basis.

Out of the 134 Shared Ownership Homes, we have sold 96 (which is 4 more than last month). We also have a number of reservations which means circa 75% of the homes sold or reserved. Overall Woodberry Down is a popular scheme with a good reputation, particularly amongst local buyers. As noted previously, Sales are generally performing well given that Block B has only just completed. The use of various marketing initiatives, such as cashbacks etc, are a normal part of any sales programme we do for such a large number of Shared Ownership homes.

So far we have reserved all the 1 bed Shared Ownership Homes and it is only 2 bed homes that we have remaining in Phase 2. As the affordability criteria for the 2 bed Shared Ownership is higher and we need to adhere to the net income cap (which for the GLA is 40% of net household income), it does limit the number of potential purchasers and will also be competing with purchasers who may be able to purchase a home with Help to Buy (though this is due to end next year). Our Sales Team continue to monitoring the situation on Phase 2 and we will provide an update on any change in the future.

In terms of future phases, in Phase 3 we undertook a viability exercise before entering into the Build Agreement for Phase 3 last year and the units were deemed affordable. The challenge is with 3 bed homes from an affordability perspective but there are only 7 in Phase 3 (a number of which are potentially going to become shared equity). Within Phase 4 we are proposing only 1 and 2 bed Shared Ownership homes due to the affordability difficulties with 3 bed units.

We will provide a summary of the percentage share of first purchase on Phase 2 Shared Ownership in the next WDCO update and any detail available re staircasing from earlier phases.

Re Phase 3, why are sessions to review layout still being held (23 May Design Committee ref) when the build has started. Surely this should all have been agreed prior to Planning approval.

It is normal for the internal layouts to develop post planning and more detailed design and coordination is undertaken. NHG and Berkeley started reviewing layouts nearly a year ago and these layouts were taken back to the Design Committee. This is an iterative process that takes time and sometimes things like the detailed design of the structure and mechanical & electrical services impact that meaning multiple reviews/minor amendments.

Re Operational updates: It would be more useful to know how many properties NHG is managing and how many call outs there were rather than just saying the number has decreased by 50%. Such a % is pretty meaningless. The number of call outs may be very large or very small and would anyway be likely to drop as the weather gets warmer and so less heating used. IF we need this to be included in reports then the information needs to be useful - do the reason for the call outs get analysed and reported at the Design Committee meeting if they reflect issues that need attention in the next build for example.. Similarly for the M&E. Are the problems a mix of design / build issues and poor practices by residents eg putting wipes down drains. If partly the latter what education can be given to residents. Implication is that there is some design/building work required.

We discuss BSW stats at the BSW contract meeting on a monthly basis (to monitor trends in a particular block/property etc). What was provided is the WDCO report was a snapshot of what was discussed at the recent meeting and is being further clarified following at request at the last meeting and will be reported back to the BSW group so that it can be used as a baseline for future reporting. Going forward we will only provide specific updates where relevant to WDCO Board. NHG do capture new Lessons Learnt from previous phases for all aspects (inc Heating & Hot Water and M&E) which is fed back to Berkeley Homes to inform future designs.

Heating Tariffs

The new heating tariffs are coming in six months later than in the private housing, We have been advised in the private housing that it may be necessary to make further increases in October, depending on gas prices. If the Ukraine war is not settled soon, increases are more likely according to papers I have read. For how long does NHG believe it can maintain the proposed new tariff? The increase is coming in very late compared to not only the private homes here but home owners throughout the UK. What will the NHG residents be told about the longevity of these new tariffs? And do all NHG tenants have a smart meter and is there any advice issued as to how to reduce energy consumption.

As reported previously, NHG manage heat networks across over 60 scheme, which include those that we manage on Woodberry Down. NHG have been finalising a contract for all of these schemes as the contract was due for renewal, which has now concluded and the rates confirmed in April. This enabled the NHG Energy Team to begin the work in calculating the tariffs for the circa 60 schemes. Once the new tariffs are confirmed by our Executive Board (now planned for July) this will be communicated to all residents where NHG operate the heat network and at least 30 day notice of any increase will be given. Future tariffs should be reviewed on an annual basis, which is typically done in April. We are looking to start process of procuring new gas contract shortly for next year, to ensure we secure the best rates for our residents. While NHG has significant buying power due to

the number of homes it manages, whole sale prices have increased significantly which will need to be reflected in the priced we charge (we only charge the amount its costs us).

BH

1. The presentation has become formulaic. It always seems as though last month's report has been pulled up and updated rather than any thought given to what is important.
2. Re Phase 3 update, surely, we also need to know whether the work is on schedule. It would be useful to have a timetable to compare to as the work has to tie in with the proposed vacant possession date in the Council Report for example.
3. Progress of works delivered - could this be changed to delivered and proposed and could it have estimated completion dates for those in build.
4. Also, How is work progressing on satisfying all the conditions, some with dates, of the planning approval for Phase 3.

We've historically kept the update as a working document to show updates. We welcome feedback on additional items that members would like us to address.

We can include milestone dates for Phase 3 in the report going forward.

Summary - Phase 3 has 58 conditions which require discharging at various stages of the construction programme, some prior to start, some prior to completion and some prior to occupation. We are working through these and the submissions can all be seen on the Councils Planning website as all submissions are registered.

5. Are we getting to a stage where Phase 4 and 5 could be shown separately so that we can see the tenure mix and the timescale for completion of the South Side of Seven Sisters? The timescale of the complete development seems to extend out constantly. I doubt I will live to see it! Not what we were told when we agreed to buy here.

We will split the report into Phase 4 and a separate section for the Future Phase (5-8).

We are also working with the Council to provide an update to all residents of the programme for delivery of new homes. We anticipate this will be circulated in the next couple of weeks.

6. Re Future Phases - When is it estimated that the first consultation could be for the new Masterplan. It has been postponed but no new estimated date given.

We anticipate making a planning application for Phase 4 in Winter 2022. We will then move to continue work on the Masterplan following the submission of the Phase 4 application and anticipate being able to undertake further public consultation in Spring/summer 2023.

7. Apprentices and local labour.

Are the Reach apprentices' part of the permanent on site BH staff? And how exactly are operatives defined. I am confused as to how many BH direct employed staff are on site and how many on site are employed by contractors.

Is there a condition regarding the number of apprentices?

All Reach Apprentices are directly employed by Berkeley Homes, but gain practical experience by working with our subcontractors. Berkeley have two senior members of staff who are responsible for the whole team of apprentices, looking after training, team building, personal development and individual welfare. This combination enables us to provide a better apprentice programme as it allows the apprentices to experience practical "hands on" roles as well as develop their interpersonal and professional skills by working as a larger group.

The number of apprentices is stipulated within the S106 agreement and the target is 1 apprentice per £2million of contract value.

8. Sales and Marketing: Are the Phase 2 unsold the town houses?

Yes