

WEST DUNBARTONSHIRE COUNCIL

Report by the Chief Officer, Housing and Employability

Housing and Communities Committee: 22 February 2023

**Subject: More Homes West Dunbartonshire – West Dunbartonshire Council
Affordable Housing Supply Delivery Programme**

1. Purpose

- 1.1** This purpose of this report is to provide the Housing and Communities Committee an update on progress with West Dunbartonshire's More Homes Programme which oversees the delivery of the Council's new home building programme.

2. Recommendations

- 2.1** It is recommended that the Housing and Communities Committee:

- (i) Note the content of the report and the progress made to date in the delivery of the Council's More Homes West Dunbartonshire approach including the practical completion and handover of the latest development project at Queens Quay (Site B);
- (ii) Note the commencement of groundworks at the Clydebank East housing development in January 2023;
- (iii) Note the successful funding application to the Scottish Government's Vacant and Derelict Land Fund of £1.25m to support the Pappert housing development;
- (iv) Approve the transfer of the site at Queen Mary Avenue, Clydebank with vacant possession at the cost of £140,000 from the Council's General Fund to the Housing Revenue Account for the delivery of new Council homes; and
- (v) Note the delay in the acquisition of the former Clydebank Health Centre site at the cost of £707,400 from NHS Greater Glasgow and Clyde for the delivery of new Council homes.

3. Background

- 3.1** In West Dunbartonshire the Affordable Housing Supply Programme (AHSP) is delivered through a More Homes West Dunbartonshire strategic approach which was initially tasked and has successfully delivered over 1000 new

affordable homes in West Dunbartonshire by 2022 and includes the Council's own ambitious New House Building Programme.

- 3.2** The Council's latest practical completion took place at the Queens Quay development in September 2022 delivering 29 new Council homes in a key regeneration area as part of a wider development which has delivered 146 new social rented homes. These are first residential properties to be heated from the Council's Queens Quay District Heating Network.
- 3.3** These 29 new homes, are in addition to the completion of the Council's first fully dementia designed development at Creveul Court, Alexandria and other exemplar developments in Haldane, Aitkenbar, Bellmsyre, Dumbarton Harbour and St Andrews, Clydebank. The Council have now completed 12 new build developments since 2013 and are the largest developer of social homes in West Dunbartonshire delivering 496 new homes to date as outlined in Table 1 below:

Table 1: Completed Council New Build

Project	No. of Units	Completion Date
Granville Street (Phase 1), Clydebank	24	July 2013
Miller Road, Alexandria	15	October 2013
Granville Street (Phase 2), Clydebank	9	February 2014
Central Bellmsyre, Dumbarton	36	December 2014
Hillstreet Square, Dumbarton	37	August 2015
Second Avenue, Clydebank	40	April 2018
Creveul Court, Alexandria	22	April 2021
Aitkenbar Primary School	55	July 2021
Haldane Primary School	58	August 2021
St Andrews, Clydebank	126	October 2021
Dumbarton Harbour, Dumbarton	45	December 2021
Queens Quay, Site B, Clydebank	29	August 2022
Totals	496	

- 3.4** The Strategic Housing Investment Plan (SHIP) 2023-2027, outlining West Dunbartonshire's Affordable Housing Supply Programme through the More Homes West Dunbartonshire approach was approved by the Housing and Communities Committee in November 2022. The SHIP outline plans to meet the new Council Administration's aim of delivering 2500 new affordable and social rented homes over the next 10 years. The Council has recently received positive feedback from the Scottish Government in respect of our recent SHIP.

4. Main Issues

More Homes West Dunbartonshire - Delivery Programme

- 4.1** Building new affordable homes has an important role to play in revitalising local economies and assisting with post-pandemic recovery plans. It is also clear that the need for affordable homes has and will increase in the current economic environment. Our More Homes West Dunbartonshire approach is an ambitious plan that aims to continue the positive momentum of the delivery

of much needed Council homes in West Dunbartonshire and will significantly assist the Council's aim to deliver 2500 new social and affordable homes by 2032.

- 4.2** As the biggest affordable housing developer in West Dunbartonshire, the Council has identified a number of future development sites for new council homes to address existing and new housing need. The design of these homes will further develop, improve and exceed current best practice, providing sustainable homes using innovative technology and delivering on our low carbon ambitions including passivhaus and other net zero carbon opportunities.
- 4.3** The Strategic Housing Investment Plan and HRA Capital Plan outlined the plans the Council have for meeting their new build ambitions. Some of the initial plans were and continue to be impacted as a result of global issues revised new build targets for the Council are outlined below:

Table 2: Council New Build Programme

Site/Developer	Number of Units	Number of Specialist Provision	Est Site Start	Est Completion Date
Clydebank East, Clydebank	88	9	January 2023	Spring 2025
Mount Pleasant	25	25	March 2023	Summer 2024
Pappert, Bonhill Alexandria	27	3	October 2023	Autumn 2024
Dennystoun Forge	20	20	April 2024	Autumn 2024
Willox Park	17	17	June 2023	Summer 2024
Bonhill Gap Sites*	35	4	July 2023	Winter 2024/25
Bank Street, Alexandria	20	20	Autumn 2023	Winter 2024/25
Queens Quay Site C	100	10	Autumn 2023	Spring 2025
Clydebank Health Centre*	38	5	Autumn 2023	Spring 2025
Clydebank Gap Sites*	50	10	Spring 2024	Summer 2025
Buyback Scheme (50 per year)	250	25	2023/24	2027/28
670 units		148 units		

*Current Planning figures

- 4.4** Updates for each site are noted below:

Clydebank East:

Works commenced on this development on 23rd January 2023, as reported to the Housing and Communities Committee in November 2022 the initial programme will be the remedial works and external drainage, a construction site start is programmed for May 2023. The total programme for the works will be 116 weeks.

The development at Clydebank East will see the completion of a major housing led regeneration of a key priority area identified in the Local Housing Strategy and will be the Council's first fully zero carbon housing development and marks a significant milestone in our transition to net zero approved at the August 2022 meeting of the Housing and Communities Committee.

Mount Pleasant, Old Kilpatrick

The demolition of the former care home at the site completed in December 2022 ahead of schedule.

We have had an initial consultation with the Old Kilpatrick Community Council where we presented our concept of providing between 25 units of housing in a similar style to Creveul Court, one and 2 bedroom flats and terraced 1 / 2 bedroom terraced cottages with private gardens.

An Employers Agent (NBM) have been appointed for this project, they were previously the EA for the recently completed Queens Quay development. The construction procurement strategy is well advance and we intend to appoint a design and build contractor in the next couple of weeks.

Pappert, Bonhill

The development of 27 new homes comprises 7 Passivhaus homes and 20 homes meeting the net zero ready standard.

House Type	Sustainability Standard	Number of New Homes
House 3bed/4 person	Passivhaus	4
House 3bed/5 person	Passivhaus	3
House 3bed/5 person	Net Zero	6
House 4bed/6person	Net Zero	4
House 4bed/7person	Net Zero	1
Flat 2bed/3person w/c	Net Zero	3
Flat 1 bed/2person	Net Zero	6

We have commenced preplanning consultation in advance of submitting a formal planning application, however we don't anticipate planning approval now until October 2023. This development was also successful in a funding application to the Scottish Government's Vacant and Derelict Land Fund and has been awarded £1.25m funding, this will be additional to grant support provided through the wider Affordable Housing Supply Programme. The additional funding is to be welcomed, however the funding is conditional on

the Council fulfilling a number of key project milestones and this will require a strong collaborative focus across all Council teams involved in the project delivery to ensure there is no funding clawback and subsequent reputational damage.

We have visited the site with housing officers who will assist in some pre consultation with adjoining residents, schoolchildren and the Bonhill Community Garden, the focus of the consultation will be the provision of future play.

Dennystoun Forge Gypsy/Traveller Site

A submission was made to the Scottish Government for support funding from their Gypsy/Traveller Accommodation Fund for significant improvements to the Dennystoun Forge site, including new energy efficient chalet type accommodation following a consultation exercise with site residents. However, we were notified that this submission was unsuccessful at this point. We have since engaged the Scottish Government following the outcome of this and are providing more information in terms of our application, this will allow our proposal to be reassessed and has the potential to achieve the funding award. This will be determined over the next few months

Willox Park, Doveholm, Dumbarton

All demolition works are now complete with Practical Completion Certificate issued to contractor. The site has been secured in anticipation of the construction phase of the development.

A procurement strategy has been completed to appoint a number of development consultants to progress the design to a full planning application

Bonhill Gap Site Strategy

A pre-planning application on the development of the 4 gap sites has been made, and a procurement strategy is now in place.

Bank Street, Alexandria

The council is currently developing a proposal for 20 sheltered/amenity housing units in partnership with the HSCP. This will include an options appraisal in terms of the existing provision within the local area.

There are a number of infrastructure constraints within the site including a main sewer which may affect the viability of the site. We are currently working on pre-planning drawings for submission in early 2023 based on the conclusion of the discussions with HSCP.

Queens Quay, Site C, Clydebank

The Council is currently developing a design to deliver a projected 20 units on this site to complement the housing mix within sites A and B. This development will also be designed to meet low/zero carbon principles and linked to the Queens Quay district heating network

Pre-planning response was received on the 25th February highlighting concern of the WDC development proceeding in isolation. We have adopted a, proactive response to this issue and have developed masterplan diagrams incorporating the surrounding sites and have instructed the District Valuer to value these adjacent site to Queens Quay C with a view to purchasing additional land to deliver more affordable housing in the Queens Quay regeneration site. If this is achieved we would seek to develop a mixed tenure approach to any expanded development site.

Clydebank Health Centre

The Council are continuously looking for opportunities to provide additional new build council homes and this includes through the Scottish Government's trawl process which seeks to utilise public sector land sales for the delivery of key national ambitions which includes the delivery of new homes. The former Clydebank Health Centre in Kilbowie Road, Clydebank was identified through this process and approval was granted to acquire the site from NHS Greater Glasgow and Clyde at the November meeting of the Housing and Communities Committee for £707,400.

However, NHS Greater Glasgow and Clyde have informed us that they no longer wish for accountancy purposes for the transaction to complete in financial year 2022/23, instead they will only conclude the sale of the land in financial year 2023/24. This is disappointing in terms of the Council's planned acquisition of the site in this financial year would have enabled an additional £707,400 from the Scottish Government's Affordable Housing Supply Programme funding. This money is in effect now lost to the wider West Dunbartonshire economy and to the wider national Affordable Housing Supply Programme.

As a result of the above, the Council and NHS Greater Glasgow and Clyde have instructed the District Valuer to revalue the site to allow the acquisition to conclude in the next financial year. We will provide an update and seek approval to acquire the land for development purposes at the next Housing and Communities Committee. We are not anticipating any significant difference in the valuation, however for Scottish Government grant purposes a valuation is only valid for a 6 month period (the site was previously valued in December 2021).

Potential Additional Sites

The Council is internally assessing a potential development opportunity at an area of land in its ownership at Queen Mary Avenue, Clydebank. The site approximate site area from Ordnance Survey based digital mapping

system indicates the gross site area is approximately 0.90 acres. The site contains the former Drumry Community Centre which was declared surplus to requirements in recent years. If it is approved that this area should be transferred for a gross value of £140k to the Housing Revenue Account for the purposes of developing social housing an indicative massing exercise has established that a development of 16 new homes could be delivered.

In addition, we are exploring an opportunity to develop a gap site in Council ownership in Hardgate to provide 2 new homes.

Buyback Programme

The Council's buyback programme which incorporates the Mortgage to Rent Scheme has purchased 17* new homes to date in 2022/23. It is the intention to bring a full annual update report to the next meeting of the Housing and Communities Committee in May 2023 in relation to the buyback scheme.

- 4.5** The Housing Team are continuously looking for opportunities to provide additional new build council homes and will bring any potential site to the Housing and Communities Committee with as much information as possible as part of the regular More Homes update paper.

5. People Implications

- 5.1** There are no people implications from this report.

6. Financial and Procurement Implications

Financial

- 6.1** In March 2022 Council approved the Housing Capital Programme 2022-2027 which saw significant resources committed to the delivery of new council homes in West Dunbartonshire. An expenditure budget of £83.393m for the affordable housing supply programme is factored into the HRA Capital Programme this will be updated to reflect the income and expenditure highlighted within this report. As it currently stands, it is anticipated that this programme will complete on project life budget.
- 6.2** Influenced by Brexit, the current Covid-19 pandemic, Ukraine and other global issues, the emergence of supply issues and subsequent cost increases has begun to be felt across Scotland and the UK. Whilst the impact of these is still being examined, it is prudent to mention this as early as possible in order to provide more detailed information at a future Committee when new tender prices are known.
- 6.3** We are likely to see this impact on all our future development sites. Housing Development Officers and Finance will continue to assess the impacts in the context of affordability of developments.

Procurement

- 6.3 All new development sites will be subject to new detailed procurement strategies and the opportunities highlighted with 4.4 of this report will continue to be prioritised.
- 6.4 Where the contract award is less than £50,000, authority is delegated to the Chief Officer in consultation with the Procurement Manager to instruct the award of contracts for the planned revenue and capital spend detailed in this report to suppliers providing the most economically advantageous offer to the Council.

7. Risk Analysis

- 7.1 All Council new build projects have their own Risk Register which highlights the risk within and out-with the project team's control. These are maintained and adjusted on an on-going basis.
- 7.2 With any new build project there is a risk that as the projects develop the cost increases beyond the estimated contract cost. Any additional borrowing requirements, or conversely, cost savings will be reported to future meetings of the Housing and Communities Committee. However, this is mitigated through a target cost model approach in our current contract arrangements within the Scottish Procurement Alliance (SPA) framework and Scotland Excel.

8. Equalities Impact Assessment (EIA)

- 8.1 The proposal does not alter any existing policy or pattern of service delivery and so is not considered to require an equalities impact assessment.

9. Consultation

- 9.1 As part of our previous rent consultation exercise, 92% of respondents indicated their support for the Council's ambitious plans to deliver the Housing Revenue Account (HRA) new council house build programme. In addition, there was positive support for the wider delivery of new build housing as part of the recent Local Housing Strategy. Regular updates on new build development are provided to the West Dunbartonshire Tenants and Residents Organisation at the bi-monthly liaison meetings.

10. Strategic Assessment

- 10.1 The Local Housing Strategy is the overarching document setting out the strategic direction for housing across all tenures and informs the future investment in housing and related services across West Dunbartonshire. Having considered all the Council's strategic priorities, this report and the

provision of new supply social housing for rent contributes greatly to all strategic priorities.

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Date: 9 February 2022

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Appendices:	None
Background Papers:	West Dunbartonshire Council's Local Housing Strategy Local Housing Strategy, Health Inequalities Impact Assessment DVS Valuation Report Development Site/s: -Clydebank Health Centre -Queen Mary Avenue
Wards Affected:	All