

# WEST DUNBARTONSHIRE COUNCIL

## Report by the Strategic Lead, Housing and Employability

Housing and Communities Committee: 14 August 2019

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**Subject: More Homes West Dunbartonshire – West Dunbartonshire Council House New Supply 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 Council House New Supply 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;
- (ii) Note that the report and the delivery of the Council's ambitious plans to deliver new homes to meet housing need will include significant member involvement in its delivery and as such a regular update report will be provided to each Housing and Communities Committee

### **3. Background**

**3.1** In West Dunbartonshire the Affordable Housing Supply Programme (AHSP) is delivered through the More Homes West Dunbartonshire strategic approach which was initially tasked with delivering over 1000 new affordable homes in West Dunbartonshire by 2021 and includes the Council's ambitious New House Building Programme.

**3.2** As part of the Council's More Homes West Dunbartonshire programme a target has been set for 1000 new affordable homes to be built within a 5 year period up to March 2021 between the Council and developing partner Housing Associations. To assist in meeting this target, the Council has ambitious plans which were approved by Council in February 2018 to build around 400 new homes for social rent from 2018–2021, the first of which were delivered in Spring 2018 in Second Avenue, Clydebank.

- 3.3 The Council have now delivered 161 new council homes 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 Bellsmyre, Dumbarton	36	December 2014
Hillstreet Square, Dumbarton	37	August 2015
Second Avenue, Clydebank	40	April 2018
<b>Totals</b>	<b>161</b>	

- 3.4 The Strategic Housing Investment Plan (SHIP) 2018-2023, 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 2018.
- 3.5 The More Homes Delivery Team continues to prioritise the new build projects in order to ensure that West Dunbartonshire Council delivers the new Council homes within the agreed budget and timescales.
- 3.6 As part of the Council's More Homes West Dunbartonshire programme a target has been set for 1000 new affordable homes to be built up to March 2021 in West Dunbartonshire between the Council and developing partner Housing Associations. To assist in meeting this target, the Council has ambitious plans which were approved by the Housing and Communities Committee in February 2017 and March 2018 to develop around 400 new council homes for rent (this figure is inclusive of buyback properties). Partner Housing Associations have a combined target of over 800.
- 3.7 The Council's Tendering Committee approved the appointment of a Strategic Delivery Partner on 29 August 2018. The reaching of this key milestone will see CCG Scotland Ltd work with the Council to deliver five of our new build developments inclusive of enabling and construction works.

#### 4. Main Issues

- 4.1 The Scottish Government has a key national target to deliver a minimum of 50,000 new supply affordable homes in Scotland by March 2021 supported by over £3bn of investment. All local authorities have a significant role in terms of the delivery of Strategic Housing Investment Plans (SHIPs) to assist in meeting the 50,000 target. In West Dunbartonshire, our More Homes Better Homes West Dunbartonshire approach outlines the local target for a minimum 1000 new affordable homes to be built by 2021 in West Dunbartonshire between the Council and developing strategic partnering Housing Associations.
- 4.2 On February 19<sup>th</sup> 2018, the Minister for Local Government and Housing wrote to all Scottish Local Authorities reminding them of their responsibilities to

accelerate and ensure the delivery of the Affordable Housing Supply Programme; the Council's More Homes West Dunbartonshire approach strongly supports such an aim. This has been strengthened through the formation of a More Homes West Dunbartonshire Project Board chaired by the Strategic Lead for Housing and Employability which will provide strong governance and leadership to ensure the ambitions are achieved.

- 4.3** The Strategic Housing Investment Plan and HRA Capital Plan outlined the plans the Council have for meeting their targets. These revised new build targets for the Council are outlined below:

**Table 2: Council New Build**

<b>Site/Developer</b>	<b>Number of Units</b>
St Andrews High School, Clydebank	126
Dumbarton Harbour	45
Creveul Court, Alexandria	22
Haldane Primary School	59
Aitkenbar Primary, Bellsmyre	55
Clydebank East ex MSF site	50
Queens Quay, Site B/C, Clydebank	60*
<b>417 units</b>	

\*Includes 29 units at Site b and a projected 31 units at Site C

- 4.4** The Housing and Communities Committee in February 2019 approved the addition of Queens Quay, Site C to the Council's new build programme, although it should be noted that this site would not necessarily contribute to the 2021 target; rather it may be included as a future development site post 2021 and consistent with the Council's stated intention to develop beyond 2021. The site would only be taken forward if a financially viable project that meets housing need can be developed and would be funded from the future projects element prescribed within the HRA Capital Plan and therefore not requiring any additional budget provision.
- 4.5** The More Homes, Better Homes West Dunbartonshire programme would see an estimated investment of over £70m in council house building to deliver the current programme; this would be supported through initial estimated grant funding of around £25m (table 3, 6.3 below).
- 4.6** All the new build Council Programme is managed and delivered by our Housing Development Team supported by Consultancy Services, this includes the design which is undertaken by our own architectural officers, with the exception of Dumbarton Harbour, Creveul Court and Clydebank East which is being developed through a design and build arrangement, with the design arrangements in accordance with WDC requirements.

#### 4.7 Progress on each of the Council new build projects is outlined below:-

##### St Andrews School Update

This development will provide 126 units in total. This site will now fully be developed by the Council and all units used for council housing.

This project is now on site as of 3<sup>rd</sup> June 2019 and is anticipated to complete in March 2021.

Due to unforeseen ground conditions which required a detailed remediation strategy, the costs for this project did not include any abnormal provision and as such are anticipated to be above budget; however we expect that this will be offset by saving across the programme. This issue is noted at 6.3 of this report.

##### Dumbarton Harbour

The Housing Development Team are engaged with Turner Townsend and have agreed the design specification for the delivery of the 45 units. An element of enabling works has already commenced and full planning permission is already secured. A recent issue with site levels across this site and neighbouring projects was identified and work is ongoing to resolve this which will benefit the entire harbour area. This has had the effect of slightly delaying the site start which will now be September 2019.

##### Creveul Court, Alexandria Town Centre

Following a Design Panel Meeting, planning permission has been sought for a 22 unit development of flats with lifts and bungalows a key principle for the design is to build on the housing need already satisfied through the adjacent Caledonia/Dunbritton Housing Association's Kippen Dairy development and meet any unmet need particularly in relation to older persons accommodation.

The demolition of the existing Creveul Court building is complete with the demolition contractor still onsite to clear and prepare the land for the new build to get underway before the end of 2019.

##### Haldane Development

The demolition of Haldane Primary School is now complete and work is underway to carry out post demolition site investigations. Planning Permission was received at the June 2019 Planning Committee. We anticipate a site start by the end of 2019.

A PAN consultation event took place on 3 October 2018 at Mill Park. Draft plans were on display for residents to come along and help influence the design before a planning application is made. Members of staff from Consultancy Services, Housing Development and Housing Operations were in attendance to answer questions. The event received positive feedback to the initial plans.

### Bellsmyre Regeneration (Aitkenbar)

Planning Permission was received for this project at the May 2019 Planning Committee.

A PAN consultation event took place on 18 September 2018 at the Cutty Sark Centre. Draft plans were on display for residents to come along and help influence the design before a planning application is made. Members of staff from Consultancy Services, Housing Development and Homelessness and Housing Operations were in attendance to answer questions.

In advance of the site start the demolition of the site. The Council has served notice on the existing community groups who are still utilising the Longcrags facility and are making arrangements for them to move into the agreed alternative accommodation. A verbal update to Committee will be provided.

A site start has been programmed for Autumn 2019 with completion in early 2021.

### Clydebank East

A masterplanning design approach is being developed which could oversee the development of around 140 new homes within this site. While we have previously reported a minimum of 50 new Council homes within this site, we are currently researching opportunities to introduce alternative tenures within the wider regeneration approach. The research will conclude in Autumn with a view to bring proposals to a Housing and Communities Committee within 2019/20.

The demolition company is now onsite and the demolition is underway and will take around a year, completing next May 2020.

### Queens Quay, Site B, Clydebank

A Planning Application for Site A and B comprising of a total of 149 flatted units (29 WDC units included within this) was made in December 2018 and planning approval was received from the March 2019 Planning Committee.

Council, at the 26 June 2019 meeting approved the use of the Council's General Services capital Regeneration Fund to fund the construction of the four commercial units within the affordable housing development to assist with the delivery of this project.

### Queens Quay, Site C, Clydebank

The Council is currently developing a design to deliver a projected 31 family type homes on this site to complement the housing mix within sites A and B. It is anticipated more detail will be available for the November meeting of the Housing and Communities Committee.

- 4.8** The provision of new housing that is the right type and size and that which is needed in accordance with our housing demand lists has contributed to positively regenerating these areas. In addition, the provision of new council housing for rent, along with other housing service led initiatives through our

Better Homes West Dunbartonshire approach, such as the implementation of the Housing Asset Management Strategy, housing management initiatives and the HRA Capital Programme carrying out significant works on existing stock have all contributed positively to the overall regeneration of these priority areas.

- 4.9** As part of our strategic housing approach, tenant satisfaction levels and other contributing indicators to analyse the impact of housing regeneration activities will continue to be tracked and be reported to the Housing and Communities Committee. It will be closely monitored through the More Homes Project Board.
- 4.10** In addition to its direct role as a developer of new housing, the Council's Housing Development Team plays a key enabler role through its statutory position as the Strategic Housing Authority.

## **5. People Implications**

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

## **6. Financial and Procurement Implications**

### Financial

- 6.1** The impacts and ambition of the Council's New Build Programme has been reviewed and assessed, together with the revised target cost, increased abnormal element and inclusion of the development of Queens Quay Site C, through the Council's HRA Business Plan Model and is affordable with no negative impact to the future viability of the HRA.
- 6.2** The Strategic Housing Investment Plan (SHIP) 2018-2023, outlining West Dunbartonshire's Affordable Housing Supply Programme (AHSP) through the More Homes West Dunbartonshire approach was approved by the Housing and Communities Committee in November 2018 with an updated budget being approved at Council on 14 February 2019.
- 6.3** At this point, costings for the various sites within the AHSP are being finalised as part of the procurement processes for these sites. Current projections of costs are showing that the St Andrew's site is expected to be over budget by around £0.900m, whilst others are currently projected to underspend. Currently the underspends projected don't fully match the St Andrew's projected overspend. Once the costing exercise is complete it may be necessary to seek Council permission to vire funds between budgets within the ASHP and/or to accelerate funds from planned future years spend within the ASHP
- 6.4** In February 2019 Council approved the Housing Capital Programme 2019-2024 which has gross profile spend of £96.924m on council new build housing over that 5 year period year period. This includes some £8m per annum from 21/22 provision for future new build projects. The Housing team has already

commenced developing the feasibility of future development and these will be reported to future Housing and Communities Committees. As highlighted in 4.4 of this report the first future project identified is the development of new homes within Queens Quay Site C.

- 6.5** The introduction of the West Dunbartonshire Affordable Housing Design Standard approved by the Housing and Communities Committee in November 2015 and updated in February 2019 will ensure all new affordable housing developments in West Dunbartonshire will be eligible for the higher 'greener' subsidy levels of £72k (RSL) and £59k (Council). This enables the leverage of an additional £2k of grant funding per unit of affordable housing in West Dunbartonshire.

### Procurement

- 6.6** As highlighted in section 3.7 of this report, a robust contract strategy resulted in the appointment of CCG Scotland Ltd to deliver five of our new build development sites inclusive of enabling and construction works.
- 6.7** Further opportunities to maximise the positive social, economic and environmental impact for the Council through this contract will also be explored.

## **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.

## **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 recent 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.
- 9.2** 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.
- 10.2** Having considered all the Council's strategic priorities, this report and the provision of new supply social housing for rent contributes greatly to all five strategic priorities.

**Peter Barry**  
**Strategic Lead, Housing and Employability**  
**Date: 1 August 2019**

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<b>Appendices:</b>	None
<b>Background Papers:</b>	West Dunbartonshire Council's Local Housing Strategy 2017-2022 <a href="http://www.west-dunbarton.gov.uk/media/4311723/housing-strategy-2017-2022-final.pdf">http://www.west-dunbarton.gov.uk/media/4311723/housing-strategy-2017-2022-final.pdf</a>  Local Housing Strategy, Equalities Impact Assessment, November 2016 <a href="http://www.west-dunbarton.gov.uk/media/716927/lhs_eia_sept_2011-revised.pdf">http://www.west-dunbarton.gov.uk/media/716927/lhs_eia_sept_2011-revised.pdf</a>  More Homes, Better Homes West Dunbartonshire Strategic Housing Investment Plan, Housing Development, November 2017  Affordable Housing in West Dunbartonshire, Housing Strategy and Development, July 2015 <a href="http://www.west-dunbarton.gov.uk/media/4308583/brochure-final-website-version.pdf">http://www.west-dunbarton.gov.uk/media/4308583/brochure-final-website-version.pdf</a>
<b>Wards Affected:</b>	All

