

WEST DUNBARTONSHIRE COUNCIL

Report by the Chief Officer, Housing and Employability

Housing and Communities Committee: 5 May 2021

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 strategic delivery of the Council's new homes.

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 handover of the full project at Creveul Court and partial handovers at St Andrews, Aitkenbar and Haldane.
- (ii) Approve the development of the Passivhaus pilot at Pappert outlined at 4.10 of this report and invite the Chief Officer, Housing and Employability to provide a regular update to Committee on progress;
- (iii) Note the acquisition of the sites at Bank Street, Alexandria and Willox Park, Dumbarton have been concluded to allow the delivery of new Council homes following approval by the Housing and Communities Committee in November 2020; and
- (iv) Approve the purchase of the former care home site at Mount Pleasant, Old Kilpatrick for the delivery of new Council homes outlined in 4.10 of this report for £200k subject to clear title.

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 The Council's latest development at Creveul Court, Alexandria completed in March 2021. This was the Council's first fully dementia designed development and delivered 22 new homes in a popular town centre location providing high quality new housing to a demographic identified as in housing need . The Council have now completed 7 new build developments since 2013 delivering 183 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 Bellsmyre, Dumbarton	36	December 2014
Hillstreet Square, Dumbarton	37	August 2015
Second Avenue, Clydebank	40	April 2018
Creveul Court, Alexandria	22	April 2021
Totals	183	

- 3.3 The Strategic Housing Investment Plan (SHIP) 2020-2025, 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 2020.

4. Main Issues

- 4.1 The Strategic Housing Investment Plan and HRA Capital Plan outlined the plans the Council have for meeting their new build ambitions. The initial plans have been impacted as a result of the pandemic and the revised new build targets for the Council are outlined below:

Table 2: Council New Build

Site/Developer	Number of Units	Est Completion Date
Haldane Primary School	58	April 2021
Aitkenbar Primary, Bellsmyre	55	May 2021
St Andrews High School, Clydebank	126	July 2021
Dumbarton Harbour	45	August 2021
Queens Quay, Site B/C, Clydebank	60*	March 2022
Clydebank East	89	February 2023
423 units		

29 units at Site B and a projected 31 units at Site C

- 4.2 Since all construction sites re-opened in June 2020, they are operating in line with the Construction Industry 6 Stage Roadmap with restrictions in place in terms of social distancing, hand sanitising etc. This inevitably has had a

further effect on timescales but positive progress is being made across all our current sites.

4.3 Updates for each site are noted below:

St Andrews School:

Of the 126 units, 25 have been handed over by 31 March 2021. The remainder will be handed over in a phased manner by July 2021. There is an estimated 11 week delay to programme principally due to the pandemic restrictions. A demonstration flat is available to assist staff in familiarising themselves with the various features of the property and provide an area to safely work from when signing tenants up to the properties; this is also providing the opportunity to show tenants any features they are unsure of without the need for any unnecessary visits to their property. This is working extremely well.

Aitkenbar Primary School:

Of the 55 new council homes, 16 have been handed over by 31 March 2021 with the remainder being handed over in a phased manner by May 2021. As above, this project has experienced Covid-19 related delays. This site also has a demonstration property on the same basis as described under St Andrews.

Haldane Development:

Of the 58 new build council homes, 32 have been handed over by 31 March 2021. The remainder will be handed over in a phased manner by April 2021. This project has also experienced a covid related delay, albeit by only four weeks. A demonstration property is also available for this project.

Dumbarton Harbour:

Currently on-site to provide 45 new council homes. This project has encountered delays caused by the liquidation of the original main contractor. Cullross (Dumbarton Harbour) Ltd, having since taken on the Main Contractor role, managed to resume on site activity following the collapse of the original contractor very quickly, however lockdown occurred immediately after this. Further delays have been faced due to the pandemic and winter weather conditions when brickwork was planned. Handovers are now planned to take place from Mid May 2021 though to August 2021 when the development will complete.

Clydebank East:

The demolition of 339 properties was completed in October 2021. Design of 89 new build council properties has been underway with CCG and architects Anderson, Bell and Christie. A consultation event with tenants and residents, Ward Members and Housing and HSCP staff took place in February 2021. All feedback and questions were extremely helpful and influenced the final design. A Pre Planning Elected Members Briefing took place on 30 March 2021 and planning approval is now being sought for this project. It is hoped

that the project can go on-site towards the end of this year. This will be the Council's first fully zero carbon housing development.

Queens Quay, Site B, Clydebank:

A partnership with Wheatley Group and Clydebank Housing Association, the Council will deliver 29 out of the 146 properties currently on-site. It is likely that the Council will take handover of their properties in a phased manner towards the end of 2022, completing in March 2023.

Buy Back Scheme:

Since 2015 the Council has operated a Buy Back Scheme that assists the Housing Team in purchasing properties of formally Council homes that were sold through the Right to Buy Scheme. Not only does this Scheme assist with tackling homelessness and housing need and some common capital works, it also contributes towards the More Homes agenda by adding additional stock to the Council's portfolio that is the right type and size and in the right location. The Scheme continues following lockdown albeit at a slower pace with social distancing and virtual viewings still in place. However the Council did manage to complete 15 purchases in 2020/21 providing new homes to household in housing need.

The Council has also managed to secure Scottish Government Affordable Housing Supply funding to support these purchases of £511,000. This additional funding will support the Council's HRA's wider Affordable Housing budget.

- 4.4** As noted above, a large number of the new homes are completed within a short timeframe culminating in late Summer. The Housing Service has developed a strategic approach to deal with this and at the same time taking into consideration the way that the pandemic has changed how we deal with viewings, sign ups, and house moves, in liaison with HSCP.

Future New Build – West Dunbartonshire

- 4.5** 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 is and will increase. *Future New Build – West Dunbartonshire* is an ambitious plan that aims to continue the positive momentum of the More Homes West Dunbartonshire programme.
- 4.6** As an affordable housing developer West Dunbartonshire Council has identified potential future 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. We have identified the future Pappert development site as the optimum site to develop our planned Passivhaus pilot. More detail on this is outlined below.

- 4.7** The ongoing pandemic has highlighted that housing and health outcomes are interconnected. We must build on our recent progress if we are to address health inequalities within our communities. As early adopters of the Dementia Framework at Creveul Court, West Dunbartonshire Council are at the forefront of Dementia Design best practice. The fundamentals of Dementia Design have been embedded in West Dunbartonshire's Design Standard as a further commitment to respond to the varying housing needs of our residents.
- 4.8** Our Design Standard already incorporates the following elements which the Scottish Government are planning on making mandatory conditions of any future grant from the Affordable Housing Supply Programme
- all new homes will offer private or communal outdoor space (this could include a private garden, patio, roof terrace or balcony, or a communal shared garden or courtyard);
 - all new homes will space for home working or study (this could be located in a circulation space and could occupy a room by itself or could form part of another room);
 - all new homes to be digitally-enabled (when a tenant gets the keys to their home this would mean that they are able to arrange for an internet connection to 'go live' with any internet service provider available in the area without the internet service provider having to provide additional cabling either within the premises, or as importantly, to the premises from the relevant Cabinet);
 - The installation of automatic fire suppression systems in new homes; and
 - The installation of zero emissions heating systems in all new homes ahead of the 2024 regulations coming into force.
- 4.9** One of the ambitions through the future new build plan is to address housing inequalities, tackle fuel poverty and improve health outcomes for future generations within West Dunbartonshire.
- 4.10** In order to contribute to future new build, the Housing Development team have been working on investigating potential sites that affordable housing can be developed on. In addition to investigating the increased provision of social housing at Clydebank East, which will also be the first zero carbon social housing development, the following sites are currently being looked at as future affordable new build sites:

Pappert, Bonhill

As indicated within the February Housing and Communities Committee Report, the site at Pappert has been identified through an options appraisal exercise as the best site to pilot the use of Passivhaus design technologies. Housing Development have undertaken a feasibility study on the site which has provided us with an idea of housing mix and indicative costs for the site. The site is being designed to maximise the optimum location for Passivhaus properties and includes net zero and silver standard properties in the areas of

the site that are less suitable for passivhaus. In total there would be 26 properties, including 1, 2, 3 and 4 bedroom cottage flats, terraced and semi detached houses.

Overall, the costs for this project will be high in relation not only to the Passivhaus elements but the ground conditions within the site. The following table provides an indicative cost plan for the development:

Table 3: Pappert Feasibility Costs

Type	Sq.	No. of Properties	Build Cost (pSqm)	Total Build Cost	Av. Property Size	Av Cost Per Property
Silver Standard	1076	10	£2,051	£2,206,876	107.60	£220,668
Net Zero	866	9	£2,183	£1,890,478	96.22	£210,053
Passivhaus	710	7	£2,373	£1,684,603	101.43	£240,658
Totals	2652	26	£2,183	£5,781,957	102.00	£222,383

These costs are around £20,000 per property more than our average cost per unit. However, in order to achieve passivhaus and deal with the challenging steeply sloping topography of the site with associated levels, drainage and foundation strategies it is inevitable that this project would come with a higher cost than other projects.

We would seek to maximise and Affordable Housing Supply Grant for this project beyond the current grant benchmark level of £59k and have already discussed the indicative costs with the Scottish Government More Homes Team.

Queens Quay, Site C, Clydebank

The Council is currently developing a design to deliver a projected 30 family type homes 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.

Willox Park, Doveholm, Dumbarton

This site was transferred in March 2021 to the Housing Revenue Account to deliver new council homes for £220k after being approved by the Housing and Communities Committee in November 2020. The acquisition was fully funded by additional grant funding from the Scottish Government.

Further and more detailed discussions with HSCP will now be arranged and the design of the project will be progressed.

Bank Street, Alexandria

This site has now been transferred to the Housing Revenue Account from the General Services account at a cost of £194k; the acquisition was supported by an additional £150k of grant funding from the Scottish Government. There

are a number of constraints within the site and the costs of remediating these issues will be shared by both the General Services and Housing Revenue Capital budgets. Work on designing the site will now progress.

Mount Pleasant, Old Kilpatrick

This site was introduced as a potential site for council new build following the last Housing and Communities Committee in February 2021 having been referenced in the Strategic Housing Investment Plan approved by the Housing and Communities Committee in November 2020.

In order to secure additional £200k of Affordable Housing Supply Grant Funding, the Housing Revenue Account has purchased the site from the General Services Account subject to retrospective approval from the Housing and Communities Committee. In the absence of a formal committee approval at this point, as the additional grant funding of £200k would otherwise have been lost to West Dunbartonshire, the More Homes Project Board chaired by the Chief Officer for Housing and Employability approved the transaction pending retrospective Committee approval.

While planning in terms of this development is at an early stage we would seek to deliver a similar development to the recent Creveul Court development.

- 4.11** The provision of much needed new housing has contributed to positively regenerating local communities. In addition, other initiatives through our Better Homes 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.

5. People Implications

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

6. Financial and Procurement Implications

Financial

- 6.1** As with all financial projections and plans, the affordable new build budget within the Capital Programme has been impacted by Covid-19. The full effect of this is still being assessed, however the notified additional costs for St Andrews, Aitkenbar, Creveul and Haldane are around £474,000 which equates to around £1,800 per property.
- 6.2** We have been in discussions with the Scottish Government at a national and local level regarding the impact of Covid-19 on the overall new build programme, financial considerations and how to assist in the recovery and will continue to do this.

- 6.3** In recent months the Housing Service has secured just under £1.5m of additional Affordable Housing Supply funding for West Dunbartonshire for land acquisitions, buy backs and in increased grant for the Dumbarton Harbour development. The Team will continue to pursue any potential for additional funds at all times when appropriate.
- 6.4** In March 2021 Council approved the Housing Capital Programme 2021-2026 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. The additionality in the costs highlighted for the Pappert development can be met from this existing budget; however we would anticipate additional grant funding would be made available.
- 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** Following a robust contract strategy CCG Scotland Ltd were appointed 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.

Community Benefits

- 6.8** As part of each project, the contract has incorporated an element of Community Benefits that can support a wide range of social, economic and environmental benefits for communities including jobs, apprenticeships and local charity and community initiatives. A summary of the community benefits achieved through the first phase of the More Homes West Dunbartonshire approach is outlined in the table below:-

Community Benefit Value	Total
Work placement opportunities (16 plus years) – no. individuals	30
Construction Curriculum support activities – no. individuals	16
Graduates - no. individuals	1
Apprenticeship starts - no. individuals	17
Existing Apprenticeships - no. individuals	17
Apprenticeships completed - no. individuals	22
New jobs created on construction project - no. individuals	16
Community Engagement/Investment	£67k

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.
- 7.3** Risk associated with the impact of and ongoing Covid-19 pandemic will be incorporated within the Risk Registers going forward.

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. Regular updates on new build development are provided to the West Dunbartonshire Tenants and Residents Organisation at the bi-monthly liaison meetings. As detailed at 6.8 above, each project will have their own element of Community Benefits. This will provide opportunities for the community to become involved and participate whether this is pupils at the local school or interested community members.

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: 21 April 2021

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Appendices: None

Background Papers: West Dunbartonshire Council's Local Housing Strategy 2017-2022
<http://www.west-dunbarton.gov.uk/media/4311723/housing-strategy-2017-2022-final.pdf>

Local Housing Strategy, Equalities Impact Assessment, November 2016
http://www.west-dunbarton.gov.uk/media/716927/lhs_eia_sept_2011-revised.pdf

Wards Affected: All