

Report

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Report to:	Housing and Technical Resources Committee
Date of Meeting:	17 June 2009
Report by:	Executive Director (Housing and Technical Resources)

Subject:	Update on Housing Regeneration Action in Key Neighbourhood Management Areas
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide an update to Committee on the progress to date delivering key housing regeneration strategies in the Council's priority Neighbourhood Management Areas within Rutherglen and Cambuslang including Cathkin, Fernhill, Cairns and Whitlawburn
- ◆ update Committee on the impact the downturn in the housing and financial market has had on individual projects and action taken to mitigate against these effects
- ◆ set out key targets for progressing projects in the current financial year
- ◆ request approval for the recommendations in this report to facilitate continued progress in accordance with the approved strategies

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the progress made to date in all of the regeneration areas is noted
- (2) that approval is granted to vary the Cathkin Regeneration Development Agreement to reduce the number of private sale units from 120 to 115 in lieu of the construction of 8 shared equity sale units for owner occupiers being rehoused as part of demolitions proposals in accordance with paragraphs 4.7 and 4.8
- (3) that the Head of Legal Services is authorised to vary the terms of the Cathkin Regeneration Development Agreement in accordance with paragraphs 4.6 to 4.9
- (4) that progress with the next stages of the Fernhill Masterplan on the basis of the revised layout as shown in Appendix 2 and the intention to report back to a future meeting of the Committee with costed proposals for the shops in Fernhill, is noted.

3. Background

3.1. Previous reports to the Housing and Technical Resources Committee outlined a range of housing and community regeneration proposals for the Council's priority Neighbourhood Management areas of Cathkin, Fernhill and Cairns including selective demolition of low demand housing and redevelopment to provide new housing for sale and rent along with improved community and leisure facilities.

- 3.2. Across all three areas, a total of 1046 tenement and deck across flats have been approved for demolition clearing land for redevelopment to provide approximately 700 new low rise homes for sale and rent over the next 3 to 5 years in partnership with housing associations and private developers.
- 3.3. Over the past two years, good progress has been made with 740 flats demolished and over 180 families rehoused into new high quality homes completed in the first phases of new development. A further 237 flats are scheduled to be demolished over the coming year with the remaining properties cleared over the next 2 years as new build homes are completed.
- 3.4. These are challenging regeneration plans in the current economic climate. Assumptions on delivery timescales for new private housing and the potential for land receipts as a source of funding have had to be reassessed. However, working closely with our key partners with adjustments made to phasing and timescales, steady progress has been made towards achieving the long term key objectives of providing new housing for rent, along with new community facilities and new schools.
- 3.5. The following sections of this report provide a summary of progress made to date within each area and recommend any further action required to address emerging issues as each strategy progresses.

4. Cathkin Area

- 4.1. Previous reports to Committee approved the regeneration strategy for Cathkin developed in conjunction with the local community and reflected in the Neighbourhood Management Plan for the area including:-
- ◆ demolition of 354 tenement flats
 - ◆ redevelop the area with a mixed tenure low rise development
 - ◆ provide a new primary school and improved community facilities
 - ◆ improve the local environment and safety in the area
 - ◆ improve the quality of remaining rented stock in the regeneration area
- 4.2. Over the past two years, the Cathkin estate has been transformed by the clearance of 354 tenement flats and the completion of 63 new low rise homes for rent, a new community school and the ongoing construction of 120 new homes for private sale.
- 4.3. To continue with the physical regeneration, a further 30 low demand flats at 2-24 Trossachs Road and 1-35 Skye Road were approved for demolition in October 2007. The remaining tenants have been rehoused and alternative accommodation is required for the remaining 8 owner occupiers residing within the last two blocks.
- 4.4. The intention had been to demolish these flats in stages and provide replacement shared equity housing in phases as the blocks were cleared. However, more detailed site investigations confirmed that, due to difficult site levels, the area is too small to accommodate construction on stages and all three blocks must be demolished before construction can start.
- 4.5. Following consideration of a number of options including temporary decants, a more cost effective alternative solution was identified to construct 8 shared equity homes on part of the site currently earmarked for 5 private sale homes. An early site start can be achieved with completion of the 8 units anticipated early in the new calendar year.

- 4.6. There will be a small reduction in the capital receipt due to be received by the Council to cover additional costs associated with redesign, planning fees and services diversions, however the proposal represents best value to the Council given the savings that will be realised through the shortened rehousing and construction period.
- 4.7. The sites identified in Appendix 1, have been transferred to Persimmon Partnerships (Scotland) Ltd to provide 120 homes for private sale under the existing terms and conditions of the Cathkin Regeneration Development Agreement.
- 4.8. To allow this proposal to be progressed it is recommended that approval is granted to vary the Development Agreement to reflect the reduction in private housing units from 120 units to 115 in lieu of provision of 8 subsidised shared equity units, and the adjustment to the funding package to reflect the increased costs for the redesign, planning amendment and service diversions to provide 8 units.
- 4.9. On completion of the 8 shared equity units, the site will be transferred to Rutherglen and Cambuslang Housing Association for onward sale to the residents being rehoused through the demolition programme in accordance with the Scottish Governments Shared Equity scheme.

5. Fernhill Area

- 5.1. Previous reports to Committee approved a regeneration strategy for Fernhill developed in conjunction with the local community including:-
- ◆ the demolition of 296 tenement and deck access flats
 - ◆ redevelopment of cleared sites to provide a range of new low rise housing for sale and rent
 - ◆ the provision of improved community and leisure facilities
 - ◆ improve the local environment and safety in the area
 - ◆ improve the local shopping and retail facilities
 - ◆ bring all the planned regeneration and service activity together through a comprehensive neighbourhood plan
- 5.2. Over the past year good progress has been made. West of Scotland Housing Association completed the first phase of new housing at the vacant site at Colvend Drive and Castlefern Road in May 2009 providing 62 new high quality homes for families relocating from flats approved for demolition. 66 flats have been demolished to date and it is anticipated that a further 133 flats will be demolished in the current financial year clearing a significant area of land for a future phase of planned development.
- 5.3. The Fernhill Masterplan, which was approved by Committee in June 2008, set out a vision for the redevelopment of the central area in Fernhill based on the views and aspirations of the local community including:-
- ◆ the creation of a vibrant new centre in the Fernhill estate
 - ◆ new community, leisure and open space provision and 7 aside floodlit football pitch
 - ◆ new road layout with defined residential areas and retail parking
 - ◆ capacity for provision of 277 new low rise homes in the central area
 - ◆ secure overlooked and managed amenity space
 - ◆ smaller scale but higher quality retail provision

- 5.4. Work is ongoing on the next phase of new development in consultation with Community Resources to bring together designs for the new community facilities, new shops and housing in line with the vision set out in the Masterplan.
- 5.5. However, as set out in 3.4 above some adjustment to the preferred Masterplan layout has been necessary to take account of the impact of the current economic climate on planned private housing development and land sale values. Adhering closely to the principles set out in the Masterplan, these changes enable the phased completion of key parts of the “heart” to Fernhill whilst allowing the timescales for private housing development to be extended.
- 5.6. The plan attached at Appendix 2 sets out the revised layout showing the location for the new community centre and 7 aside football pitch, the retail units and sites identified for future phases of housing development.
- 5.7. The sites identified for the next phase of new housing development have capacity for up to 100 new homes providing a range of house types for rent and shared equity to meet the needs of the remaining residents being rehoused as part of demolition proposals.
- 5.8. West of Scotland Housing Association, the Council’s partner is currently working towards submitting a planning application in the current financial year with a potential start on site in the last quarter of 2009/10 subject to Scottish Government Grant approval and funding availability in 2010/11
- 5.9. The revised plans, as well as the internal designs for the new community facility, were presented to the Community at an open day event held on the 30 May 2009. Taking account of feedback from the community, work to develop the detailed planning applications for the new Community facility and housing will take place over the next few months.
- 5.10. A further component of the masterplan is the provision of new shops adjacent to the community facility on the opposite side of Fernhill Road. Consultation has been taking place with the shopkeepers on an ongoing basis to ensure that any new provision accommodates the need for retail premises in the area. Work to establish the cost of building new retail units along with potential funding sources is being carried out at present and will be reported to a future meeting of the Committee.

6. Cairns Area

- 6.1. Previous reports to Committee approved the overall regeneration strategy developed in conjunction with the local community including:-
 - ◆ clearance and demolition of 366 flats approved for demolition to date
 - ◆ redevelopment of cleared sites to provide a mixture of low rise housing for sale and rent
 - ◆ provide new primary schools and improved community facilities
 - ◆ improve the local environment and safety in the area
 - ◆ improve the quality of remaining public and private sector stock
 - ◆ co-ordinate the planned regeneration and improvements to service delivery through a comprehensive neighbourhood plan.

- 6.2. To date 310 flats have been demolished and the remaining 56 flats are programmed for demolition over the next year clearing land for redevelopment of up to 200 new low rise homes for sale and rent as part of the wider Cairns Masterplan.
- 6.3. The first phase of new housing at Hamilton Crescent by Clyde Valley Housing Association is now complete providing 56 new homes for rent and 22 shared equity homes for sale to meet a range of housing needs in the area, including rehousing of residents from the demolished stock.
- 6.4. Previous reports to Committee have highlighted the links between the development of the Cairns Regeneration Masterplan and proposed residential development of an adjacent Greenfield site at Gilbertfield Road by McTaggart and Mickel. However, as a consequence of the down turn in the housing market, and the need for issues relating to infrastructure and planning requirements to be resolved to secure planning consent, the scheme is likely to be delayed until such time as the market recovers sufficiently to make development viable.
- 6.5. In the meantime, and in the context of the regeneration strategy for the area, consultation is ongoing with representatives from Housing, Planning, Community and Education's Primary School Modernisation Team to progress development of the two new primary schools including improvements to community facilities and play provision. An update to progress will be made to Committee towards the end of the calendar year.
- 6.6. A Neighbourhood Management Board has been established and meets regularly to consider issues related to the physical regeneration activity as well as wider action to improve local services and community safety in the area. The Board have also been the development and implementation of the Neighbourhood Management Plan.
- 7. Whitlawburn, Cambuslang**
 - 7.1. Following the transfer of land to West Whitlawburn Housing Co-operative (WWH Co-op) in March 2006, work started on the development of 100 new low rise homes for rent in 2008. To date over 50 units have been completed and work is ongoing to complete the remaining 50 units by the end of the financial year. In addition to this, work has also started to complete the refurbishment of the sixth tower block in the area, which completes the co-ops external fabric upgrading programme for its high rise blocks.
 - 7.2. A Neighbourhood board has been established in Whitlawburn involving partner agencies, residents and elected members and has been meeting regularly to set out the issues and improvements which need to be made and have set these out in a Neighbourhood plan.
- 8. Clydesdale Neighbourhood Management Areas**
 - 8.1. As noted in previous reports to the Housing and Technical Resources Committee the housing related regeneration activity in the rural area of South Lanarkshire is primarily aimed at addressing issues arising from having an oversupply of rented housing in some villages, a mismatch in housing type and tenure and improving housing quality.
 - 8.2. The proposed demolition of a number of properties in the Coalburn and Carstairs Junction area will be the subject of separate reports to this Committee.

9. Employee Implications

- 9.1 There are no employee implications.

10. Financial Implications

- 10.1 Costs associated with reprovisioning the shops at Fernhill (paragraph 5.10) which will be reported to a future committee.

11. Other Implications

- 11.1 The sites identified in the report form part of the Regeneration strategies previously agreed by the Council for the Cairns, Cathkin and Fernhill areas, and will be used to deliver the new housing for sale and rent to meet local need in these areas in partnership with Scottish Government (Housing Investment Division) and housing association partners.

12. Equalities Impact Assessment and Consultation Arrangements

- 12.1 Consultation with residents and stakeholder agencies in all of the regeneration areas continues on an ongoing basis through Neighbourhood Boards and public meetings to inform the detailed plans for these areas.
- 12.2 In addition, there is ongoing consultation with appropriate Council resources on major regeneration masterplans for Fernhill and Cairns.
- 12.3 This report does not introduce a new policy, function or strategy and therefore no separate impact assessment is required.

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Executive Director (Housing and Technical Resources)

26 May 2009

Link(s) to Council Objectives

- ◆ Improving the quality, access and availability of Housing
- ◆ Tackling disadvantage and deprivation
- ◆ Improve the quality of the physical environment

Previous References

- ◆ None

List of Background Papers

- ◆ Housing and Technical Resources Committee 4 June 2008

Contact for Further Information

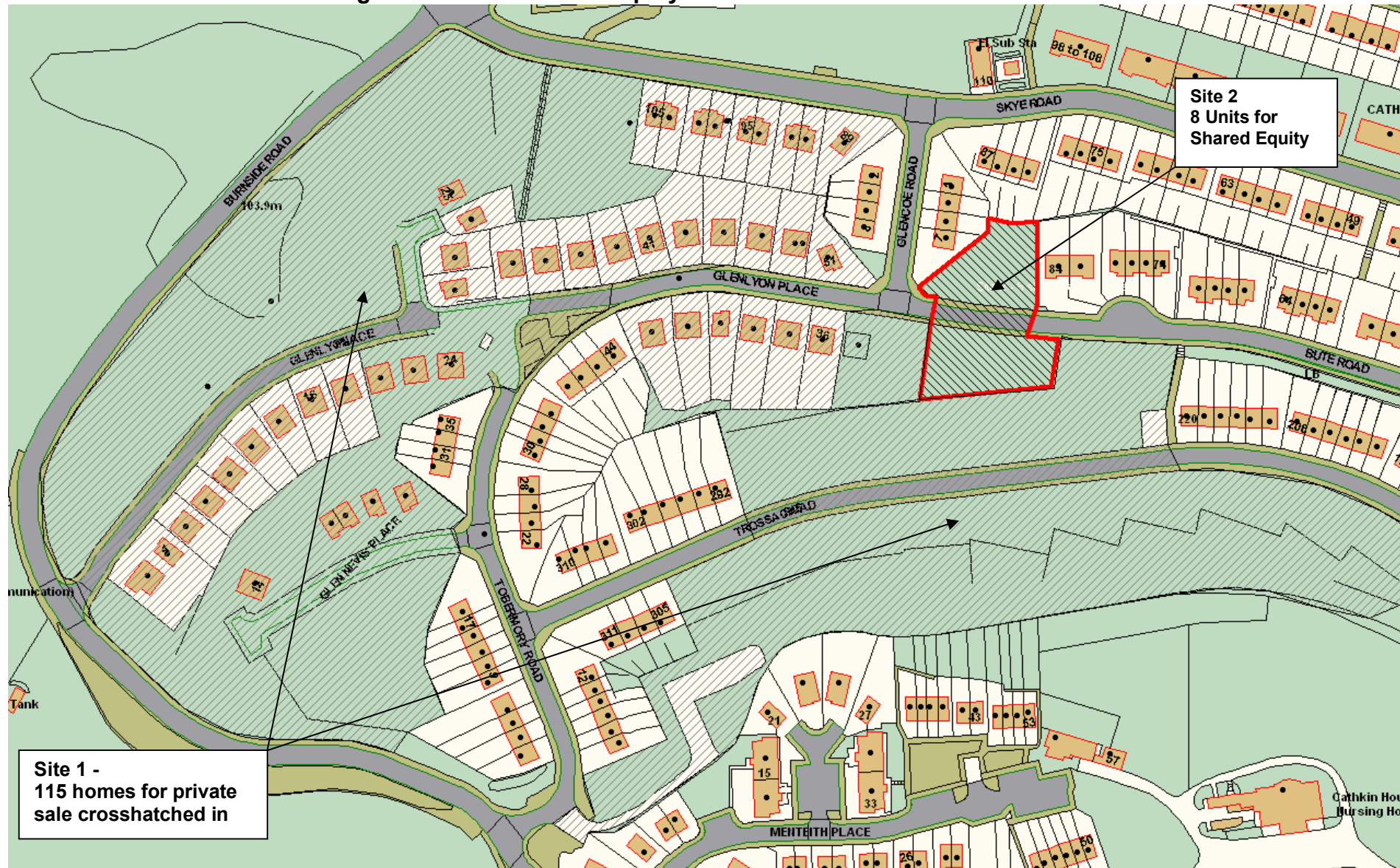
If you would like to inspect the background papers or want further information, please contact:-

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APPENDIX 1 – Cathkin Area Regeneration – 8 Shared Equity units to be constructed on the site outlined in bold.



Appendix 2 – Fernhill Masterplan – Fernhill Central Area revised layout

