

Report

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Report to:	Housing and Technical Resources Committee
Date of Meeting:	25 November 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:-

- ◆ update Committee on progress made to date in delivering housing regeneration priorities within the Cathkin, Cairns and Fernhill estates in Rutherglen and Cambuslang.
- ◆ set out the Council's bid for £0.5million of Scottish Government funding to maintain redevelopment progress through the construction of 20 new Council homes as part of the Fernhill Area Regeneration project.

2. Recommendation(s)

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

- (1) that the Council's Bid for £0.5million Scottish Government Grant funding to support provision of 20 new Council homes as part of the Fernhill Masterplan be approved.
- (2) that the proposal to procure 20 Council new build homes through a negotiated design and build contract with West of Scotland Housing Association is approved.
- (3) that the outcome of the Council's bid for Scottish Government funding for Council new build be reported to a future meeting of this Committee.
- (4) that the outcome of the feasibility on the cost of construction and funding of the 5 new shops as set out in 4.10 be reported to a future meeting of this Committee.
- (5) that continued progress across the Neighbourhood Management Areas as detailed in this report be noted and progress be reported to a future meeting of this Committee.

3. Background

3.1. Previous reports to the Housing and Technical Resources Committee have outlined progress with the Councils housing and community regeneration strategies within the priority Neighbourhood Management Areas of Cathkin, Cairns, and Fernhill in the Rutherglen and Cambuslang. Neighbourhood Management Boards have been established in each area to develop and oversee the implementation of Neighbourhood Management Plans which guide the regeneration activity and improve local services. In this way, local people have a key role in shaping the regeneration of their communities and informing development of local services in their area.

- 3.2. Within these areas, a key focus of the strategy has been major restructuring to improve the quality and range of housing in each area to meet identified need, primarily through the demolition of obsolete low demand tenement and deck access flats and the redevelopment of cleared sites with lower density family housing.
- 3.3. Within each area, as well as new build housing, there has been or is planned, significant investment in our retained housing stock, new schools and new community facilities. Through the Council's Neighbourhood Management approach within each area, in consultation with local communities, other public sector agencies and the private sector these major capital projects are being integrated with improvements to local services to help ensure lasting sustainable regeneration.
- 3.4. Across each area, good progress has been made with a total of 756 (70%) of the 1086 flats approved for demolition now demolished. Over the past two years 262 new homes have been built, generating over £40 million investment in new affordable housing in the area. A summary of progress and key achievements to date for each area as well as planned future activity and estimated timescales for implementation is set out in Appendix 1.
- 3.5. This good progress was supported by record levels of Housing Association Grant funding through the Scottish Government Affordable Housing Investment Programme. In the current economic climate these investment levels cannot be maintained and Scottish Government Affordable Housing Investment funding is set to be cut significantly over the next two years. This is likely to have a significant impact on housing association grant funded development for the foreseeable future.
- 3.6. The following paragraphs outline proposed action to support and maintain progress in each area.

4. Fernhill Area

- 4.1. Over the past year, West of Scotland Housing Association has made good progress completing the first phase of new housing at the vacant site at Colvend Drive and Castlefern Road. The development provides 62 new high quality homes for families relocating from flats approved for demolition.
- 4.2. As well as re-housing 62 families allowing a further 133 demolitions to be completed to clear land for future phases of development, these new homes have significantly improved quality of life for local people as well as the physical environment in each area.
- 4.3. To date 66 of the 334 flats approved for demolition have been demolished. Of the 270 flats remaining over 80% are void and a further 133 are scheduled for demolition by the end of the financial year.
- 4.4. West of Scotland Housing Association working closely with the local community and the Fernhill Neighbourhood Management Board, have made good progress on the next phase of development securing planning consent for in November 2009 to provide 97 new homes on three areas within the Fernhill Masterplan area. Appendix 2 sets out the sites and the order in which these will be developed. It is anticipated that subject to grant funding approval and availability in the new financial year, work on the next phase of new housing will begin in summer of 2010.

- 4.5. As part of this next phase, plans are in place to provide new housing to meet the needs of the 28 residents remaining within the partially cleared Galloway Drive/Ardgay Way. As well as reducing the time residents are living in empty or partially cleared blocks, this will allow the demolition to progress, minimise ongoing security costs, and significantly improving the amenity of the area to support future private housing development as the housing market recovers.
- 4.6. Given the likely constraints over the next few years on Housing Association Grant funding for new build, to support new development and complete planned new build within this priority area, the Council has submitted a bid for funding as part of the 2nd round of the Scottish Government's Council New Build programme. The bid seeks £0.5 million to support the delivery of approximately 20 further homes for rent in the central area.
- 4.7. The Bid proposes to procure the 20 new homes through a Design and Build contract with West of Scotland Housing Association. It is anticipated that cost benefits for the delivery of the 20 new homes will be derived through an extension to their planned competitive tender for the 97 new homes.
- 4.8. In parallel with this, the Council is progressing plans for the new Community facility and associated all weather sport pitch. The preferred location for this new facility at Fernhill Road, forms an integral part of the Fernhill Masterplan and the vision to create a vibrant new centre for Fernhill.
- 4.9. Design work for the new facility and associated infrastructure is now complete and subject to an acceptable tender price being achieved, work to prepare the ground for the new road and parking will begin early in the New Year with work on the new community centre and sports pitch beginning late summer/early autumn 2010.
- 4.10. Development of the new shops at the same time as the planned housing and community facilities in the central area would be advantageous in terms of improving the overall amenity and cost of the programme. Feasibility work to establish the cost of building new retail units along with potential funding sources is ongoing and will be reported to a future meeting of the Committee.
- 4.11. The Fernhill Regeneration Partnership was recently shortlisted for an award in the "Best Partnership" category of 'the Herald' Housing Awards.

5. Cairns Area

- 5.1. Phase 1 of the regeneration programme 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. In total 326 of the planned 356 demolitions have now taken place.
- 5.2. Previous reports to this 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 significant 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.

- 5.3. In the meantime, the Council continues to develop an ongoing programme of investment in our retained stock to meet the Scottish Housing Quality Standard. In addition, in the context of the wider regeneration strategy for the area, consultation continues 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 on progress will be submitted to this Committee in the new calendar year.
- 5.4. 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 involved in the development and implementation of the Neighbourhood Management Plan.

6. Cathkin Area

- 6.1. 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.
- 6.2. The 30 flats remaining at 2-24 Trossachs Road and 1-35 Skye Road are due to be demolished by the end of the financial year. The 8 remaining residents are due to move into the 8 new shared equity homes throughout November 2009.
- 6.3. The cleared site has capacity for approximately 16 new homes and negotiations are ongoing with our developer partners to work up a detailed scheme for costing and planning submission. Subject to availability of funding, it is hoped that this final phase of new housing in Cathkin will be progressed during the next financial year.
- 6.4. The Neighbourhood Management Board for the area is well established and actively involved in developing and implementing the Neighbourhood Plan for the area, overseeing the completion of the regeneration including the implementation of a range of open space landscaping improvements within the estate.

7. Employee Implications

- 7.1. None.

8. Financial Implications

- 8.1. The total cost of developing the 20 new build Council homes in Fernhill is estimated to be £2.2 million. If the Council's bid for £0.5 million Scottish Government Council New Build funding is successful, the Council will fund the balance of £1.7 million through a combination of capital receipts generated through the land sales and 2nd Homes Council Tax Discount money.

9. Other Implications

- 9.1. 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), local housing association partners and private developers.

10. Equalities Impact Assessment and Consultation Arrangements

- 10.1. 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.

- 10.2. In addition, there is ongoing consultation with appropriate Council Resources on major regeneration masterplans for Fernhill and Cairns.
- 10.3. This report does not introduce a new policy, function or strategy and therefore no impact assessment is required.

Jim Hayton
Executive Director (Housing and Technical Resources)

28 October 2009

Link(s) to Council Objectives and Values

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

Previous References

Report to Housing and Technical Resources Committee, 17 June 2009

List of Background Papers

- ◆ Housing and Technical Resources Committee 4 June 2008
- ◆ Housing and Technical Resources Committee 31 October 2007

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 - HOUSING AND TECHNICAL RESOURCES COMMITTEE –

25th November 2009

Housing Regeneration Areas – Summary of Progress

FERNHILL

Regeneration Overview

- Demolish 336 unpopular flats (mainly deck access, tenements and star block flat types)
- Redevelop cleared sites to provide new low rise house for sale and rent to improve range and quality of housing to meet local need.
- Provide a first phase of new housing to facilitate rehousing programme.
- Improve community facilities and replace Fernhill Pavillion.
- Improve local shopping and the local environment
- Deliver the Fernhill Masterplan to provide a new centre for Fernhill incorporating new housing, community facilities and retail units.

Current Status

- 66 flats demolished to date with a further 133 demolitions planned by March 09.
- First phase of 62 new homes by West of Scotland Housing Association completed June 2009 (51 rent and 11 Shared Equity sale) for residents being re-housed as part of demolition programme).
- Phase 2 - Regeneration Masterplan approved June 2008, updated in June 2009 to take account of economic impacts on planned development phasing.
- Planning application submitted by West of Scotland HA for next phase of new build (97 new homes) in July 2009.
- Planning application submitted for new Community Facility in August 2009.
- Round 2 Council New Build Bid submitted to Scottish Government 25th September 2009 for £0.5m funding to support the provision of 20 Council homes to complete Phase 2 housing development.
- Core stock – Home Happening completed in majority of stock – consideration will be given to future investment as housing strategy develops.

Next Phase (Estimated £20 million investment)

- Work on going with West of Scotland Housing Association to co-ordinate an integrated infrastructure plan for the redevelopment of the central area in Fernhill for the next phase of new housing, new community facility and new shops.
- Tender approval for next phase of new housing anticipated March/ April 2010 with site start early summer.
- Site start on new community facility in Summer 2010.
- Council new build development – subject to outcome of Round 2 Council New Build Bid.
- Secure funding package for replacement new build shops
- Complete Demolition of remaining 137 flats over the next 2 financial years as next phase of new housing progresses
- Develop brief for Phase 3 new build – (private housing) as housing market improves.

CAIRNS REGENERATION

Area Regeneration Overview:

- Demolition of 366 unpopular three and four storey tenement flats.
- Redevelopment of cleared sites to provide new low rise housing for sale and rent to improve the range and quality of housing to meet local need.
- Provide a first phase of new housing to facilitate rehousing programme.
- Improve community facilities (replacement facilities for Gilbertfield Hall)
- Two new build Primary Schools 2010-2012 (St Cadoc's and Cairns Primary).
- Housing and Environmental Improvement programme for retained stock.

Current Status:

- £11m First phase of New Build by Clyde Valley Housing Association providing 78 new homes (56 for rent and 22 for affordable Shared Equity sale).
- 56 Rented Units complete and occupied - June 2009.
- 22 Shared Equity units complete. Sales ongoing. 12/22 sold to date and a further 3 reserved.
- 330 properties demolished as at September 2009 (36 remaining will be demolished by March 2010).
- All remaining tenants rehoused. Remaining 4 owner occupiers being matched to Shared Equity units.
- Core Stock: Home Happening completed on retained stock
- Core Stock: Fabric Upgrade 90% complete .

Future Phases:

- Estimate a further 180 new homes cleared SLC land and a further 300 new private homes off as part of a strategic Greenbelt land release at Gilbertfield Road.
- McTaggart and Mickel preparing a masterplan for whole area (SLC housing land / greenbelt land) in consultation with SLC Planning and Housing – delayed due to slow down in housing market.
- Masterplan to demonstrate linkages and integration between the greenbelt site and existing Cairns estate, and planning gain contributions towards affordable housing, community and leisure facilities.
- Ongoing development of investment plans for retained stock to ensure all housing achieves the Scottish Housing Quality Standard.
- Anticipated that 50% of future new build will be affordable housing for rent / Homestake sale.
- Availability of Scottish Government Affordable Housing Investment funding not anticipated before 2012/2013. However, earlier site start may be achievable through front funding opportunities explored with private sector and RSL partner.
- New primary schools to be built (2010/11 to 2012/13).

Planned Regeneration Investment:

- New Build Housing - est £50 - £60m over next 5 – 7 years (subject to funding / housing market)
- New Primary Schools / community facilities – est £14m (2011 – 2013)

CATHKIN

Regeneration Overview:

- Demolition of 384 unpopular tenement flats.
- Redevelopment of cleared sites - £24 million investment in 183 low rise housing for sale and rent to improve the range and quality of housing to meet local need
- Partnership development - Persimmon Partnership Homes Ltd and Rutherglen and Cambuslang Housing Association building comprising 115 private sale, 8 shared equity sale and 63 for rent .
- New Cathkin Primary School with integrated Community Facilities.

Current Status:

- 354 flats demolished by 28 April 2008
- 63 new homes for rent complete and occupied.
- 51/115 private homes sold as at September 2009.
- 8 Shared Equity homes due for completion in November 2009 to enable clearance of remaining 30 tenement flats at Skye Road / Trossachs Road approved for demolition.
- New Cathkin Primary School and integrated community facilities completed August 2006

Future Phases

- 30 flats on Skye Road / Trossachs Road due for demolition March 2010.
- It is anticipated that the cleared site will be developed to provide approx 16 low rise homes for rent subject to AHIP funding 2010/11.
- Ongoing investment

APPENDIX 2 - - HOUSING AND TECHNICAL RESOURCES COMMITTEE - Fernhill - Next Phase of Regeneration

