

Report

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Report to:	Housing and Technical Resources Committee
Date of Meeting:	29 September 2010
Report by:	Executive Director (Housing and Technical Resources)

Subject:	Housing Regeneration Action in the Fernhill Neighbourhood Management Area
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ Provide an update on progress made to date in delivering the Council's housing regeneration action within the Fernhill Neighbourhood Management Area.

2. Recommendation(s)

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

- (1) that the continued progress with the Fernhill regeneration activity be noted
- (2) that the Executive Director (Enterprise Resources), in consultation with the Executive Director (Housing and Technical Resources) and the Head of Legal Services be authorised to conclude relevant matters pertaining to the proposed transfer the sites 2.1, 2.2 and 2.3 as set out in Appendix 2 to West of Scotland Housing Association
- (3) that the Executive Director (Housing and Technical Resources), in consultation with the Head of Legal Services be authorised to enter into a legal agreement to appoint West of Scotland Housing Association as the single user supplier of design services for the 20 new build Council homes and new shop units at Fernhill
- (4) that the outcome of the competitive tender to deliver the 20 new build Council homes and four shop units in Fernhill be reported to a future meeting of this Committee.

3. Background

- 3.1. Previous reports to the Housing and Technical Resources Committee have provided details of the Council's housing and neighbourhood regeneration strategies within the priority Neighbourhood Management Areas including the Fernhill area in Rutherglen and Cambuslang.
- 3.2. As well as a key focus on improving the services and overall quality of life in the area, a key element of the approved Masterplan and physical strategy has been major restructuring to improve the quality and range of housing linked with wider investment plans to improve remaining housing, retail and community facilities.

- 3.3 Within the Fernhill area, 199 of the 336 flats approved for demolition have now been demolished and the first phase of 62 new homes have been built and occupied as part of the new housing development. A summary of progress and key achievements to date as well as planned future activity is set out in Appendix 1.
- 3.4 Over the last year or so, considerable work has been undertaken by the Council and its partners to progress with the next key elements of the physical regeneration. Much of this work has involved consultation with local tenants and residents who have been actively involved in the neighbourhood Board and housing design focus group.
- 3.5 The remainder of this report sets out the future plans for the area.

4. Next stage - Fernhill Area – future plans and progress

- 4.1. A key element of the Masterplan for the central area of Fernhill involves creating a new central focus for the area through the provision of new community and recreational facilities, new shops and new housing. This section of the report sets out progress and indicative timescales.
- 4.2 Following a competitive tender process the Council will shortly appoint the successful contractor to build the new Community Facility to replace the Fernhill Pavilion. Work is expected to start on site in November 2010 with completion anticipated to be November 2011.
- 4.3 Since obtaining planning consent in November 2009 for the second phase housing development, West of Scotland Housing Association has been working closely with the Council to secure other necessary consents for the next phase of new housing.
- 4.4 Subject to Scottish Government Housing Association Grant (HAG) funding approval, the Association anticipates a site start on the development of 96 new homes in November 2010. The development is expected to take 21 months and will provide 82 new homes for rent and 15 homes for shared equity sale to meet the needs of the remaining families relocating from flats approved for demolition. Appendix 1 details the sites and the order in which these will be developed. The Council will transfer the sites to West of Scotland Housing Association in advance of a site start.
- 4.5 To facilitate completion of the central area the Council submitted a bid for funding of £0.5 million to the Scottish Government to help fund the construction of 20 new Council homes on the site of the existing Fernhill Pavilion (as shown in Appendix 2). The Bid was approved by the Scottish Government in May 2010.
- 4.6 In terms of completion of the Masterplan central area, to ensure consistency of design, ongoing community consultation and engagement, it is recommended that West of Scotland Housing Association's design team provide the necessary design services to the Council.
- 4.7 To achieve this, the Council will enter into a legal agreement to formally appoint West of Scotland Housing Association as the single user service provider to work up detailed designs, planning and building warrant application for 20 new build Council homes. In addition to the new homes, the Council will also seek design services for the four new shop units which have to be delivered in the central area.

- 4.8 In accordance with the Scottish Government conditions of grant funding the housing will be constructed to Housing for Varying Needs standard, Secured by Design and the latest requirements for energy efficiency. Following the completion of design and planning approval, the Council will tender the 20 new homes and four shop units with the outcome of the competitive tender process and timescales for development reported to a future Committee.
- 4.9 Subject to a satisfactory tender price being achieved for the replacement shop units the Council will fund the construction costs from the 2011/2012 Housing Capital Programme.
- 4.10 Subject to Committee approval for the actions recommended in this report, the Council will begin consultation with individual shop tenants on their individual tenancies and potential relocation to the new shops.

5. Employee Implications

- 5.1. There are no employee implications.

6. Financial Implications

- 6.1. The total cost of developing the 20 new build Council homes approved for Fernhill is estimated to be £2.2 million. This cost will be met in part with £0.5 million Scottish Government Council New Build Grant and the Council will fund the balance of £1.7 million funded through additional borrowing funded from 2nd Homes Council Tax Discount money on an annual basis.
- 6.2 Subject to a satisfactory tender price being achieved, the cost of constructing the new shop units will be funded from the 2011/12 Housing Capital Programme.

7. Other Implications

- 7.1. The sites identified in the report form part of the Regeneration strategies previously agreed by the Council for the Fernhill area and will be used to deliver the new housing for sale and rent to meet local need in these areas in partnership with the Scottish Government (Housing Investment Division), local housing association partners and private developers.
- 7.2. There are no implications in terms of sustainability or risks identified as part of the recommendations contained within this report.

8. Equality Impact Assessment and Consultation Arrangements

- 8.1. Consultation with residents and stakeholder agencies in the Fernhill regeneration area continues on an ongoing basis through Neighbourhood Boards and public meetings to inform the detailed plans for the area. In addition, there is ongoing consultation with appropriate Council Resources on the regeneration masterplan for Fernhill.
- 8.2 This report does not introduce a new policy, function or strategy and therefore no separate impact assessment is required.

Lindsay Freeland
Executive Director (Housing and Technical Resources)

2 September 2010

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

- ◆ Housing and Technical Resources Committee 25 November 2009

List of Background Papers

- ◆ None

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

Housing Regeneration – Fernhill Area – 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.
- Improve community facilities and replace Fernhill Pavilion.
- 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

- 199 of 336 flats approved for demolition demolished to date. 137 remaining.
- First phase of 62 new homes by West of Scotland Housing Association completed June 2009 providing 51 rent and 11 Shared Equity sale homes for local 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 Consent granted to West of Scotland HA for 97 new homes in Dec 2009 (Subsequently amended to 96 units comprising 81 rent and 15 Shared Equity sale to accommodate water mains servitude).
- Work on new Community Facility due to start September 2010 and complete September 2011.
- Scottish Government grant funding approved in May 2010 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 September/October 2010 with site start late Autumn 2010.
- Land for 96 new homes to be transferred to West of Scotland Housing Association by October 2010.
- Fernhill Pavilion to be demolished September 2011.
- West of Scotland Housing Association to work with the Council to progress a detailed design and joint tender for 20 new Council houses and 4 new retail units.
- Complete Demolition of remaining 137 flats over the next 2 financial years as next phase of new build progresses
- Develop Marketing brief for Phase 3 new build – (private housing) as housing market improves.

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

