

ANGUS COUNCIL

COMMUNITIES COMMITTEE – 15 AUGUST 2017

WEST ARBROATH REGENERATION

REPORT BY HEAD OF HOUSING, REGULATORY AND PROTECTIVE SERVICES

ABSTRACT

This report updates members on progress of the proposed regeneration of the Timmergreens area of Arbroath.

1. RECOMMENDATIONS

It is recommended that Committee:

- (i) Approves the housing led regeneration of the Timmergreens area of Arbroath in principle, noting that the vast majority of residents who participated in recent consultations are supportive
- (ii) Approves that residents effected by demolition proposals be awarded statutory home loss and disturbance allowances along with appropriate rehousing priority;
- (iii) Approves the repurchase of 5 ex-council properties contained within relevant blocks;
- (iv) Agrees in principle that the construction contract be procured through the Scottish Procurement Alliance NH1 Workstream 2 for Off-Site Construction, and that a further report will be brought to Committee for full approval of the contract details; and
- (v) Approves the establishment of a Timmergreens Regeneration partnership to oversee broader social and economic regeneration outcomes

2. ALIGNMENT TO THE ANGUS COMMUNITY PLAN/SINGLE OUTCOME AGREEMENT/CORPORATE PLAN

This report contributes to the following local outcomes contained within the Angus Community Plan and Single Outcome Agreement 2013-2016:

- Angus is a good place to live in, work in and visit
- Individuals and families are involved in decisions that affect them
- We have improved the health and wellbeing of our people and inequalities are reduced
- Our communities are developed in a sustainable manner.

3. BACKGROUND

- 3.1 Report 205/17 (Policy and Resources Committee, 20/6/17) approved that officers would consult residents on the proposed regeneration of Timmergreens and investigate procurement of construction work through the Scottish Procurement Alliance.
- 3.2 The proposals for Timmergreens form part of a wider strategic plan for the delivery of affordable housing in West Arbroath, which includes the site at East Muirlands. Over the 2 sites there would be a net increase of around 60 new affordable houses. At Timmergreens, 140 units would be removed and replaced with around 128 new houses, subject to detailed design and approvals.

4. CURRENT POSITION

- 4.1 The first series of consultation meetings have been held with residents directly affected by demolition proposals. Residents were also invited to arrange one to ones with the community housing team to discuss their own personal circumstances, and were invited to complete feedback forms to aid a full understanding of community views. Forty three households were represented at the meetings.
- 4.2 Support for the proposals has been very strong and of 43 households who participated in the consultations, 42 were in support of regeneration and the proposed process.

5. PROPOSALS

- 5.1 **Rehousing.** It is proposed that a community based letting plan approach is used to determine the rehousing programme. This can consider how the needs and preferences of applicants from the area can be matched to the supply available. The circumstances of existing tenancies including rent payment and anti-social behaviour would be considered, similar to that of the new-supply policy, as well as other reasonable preference criteria such as overcrowding and medical conditions. Wherever possible, community sustainability will be maintained by helping existing tenants to remain in the area, based on current length of tenancy. At this time, no particular length of tenancy will be a cut-off point, as this will be determined when all applicants have made their choices known.
- 5.2 **Repurchase of Ex-Council Properties.** There are 5 properties within the proposed regeneration area which have been purchased under Right to Buy. It is proposed that these properties should be repurchased at an agreed value through discussion and negotiation, and only in the event that this was not possible, would Compulsory Purchase Orders be sought. It is proposed that the owners would also be awarded the appropriate home loss and disturbance allowances.
- 5.3 **Procurement.** Officers from Housing and Property Services have held initial discussions with the Scottish Procurement Alliance (SPA) regarding use of the Offsite Construction of New Homes Framework. The framework allows direct award to contractors who ranked first in terms of best value, where cost and quality have already been determined through a competitive process. Direct award allows detailed negotiation on scope, design, cost and specification so that a competitive rate can be achieved.
- 5.4 It is proposed that construction of this project be procured through the SPA and officers given approval to continue discussions with the SPA and eligible contractors for direct award. A subsequent report would be brought forward to approve any proposed contract at a later date, providing full details of costs and funding and how Best Value will be achieved. It is anticipated that cost savings could be found by using this method, and it could set a benchmark against which procurement options for future projects could be measured. The proposed approach is designed to maximise community benefits, and achieve economies of scale, whilst enabling consistency of design across the entire programme.
- 5.5 The method would bring the following benefits:
- Negotiate works to suit Angus Council priorities
 - Explore new processes and technologies and provide a benchmark for comparison of standard procurement processes.
 - Reduces burden on in-house capacity during a time of large scale house building
 - Allows investigation of efficient construction methods with preferred contractor to improve project delivery so that there is least disruption for tenants and the wider community
 - Compliance with procurement regulations already in place
- 5.6 Although a contract led design wouldn't replicate exactly Angus Council's existing affordable housing specifications, discussion with the successful contractor would be intended to achieve a similar high standard.
- 5.7 The proposal complements the New Affordable Small Developments Framework (Report 175/17 refers) which will give opportunities for Small and Medium Sized Enterprises (SMEs) in Angus to compete for a large portion of the Council's new build housing programme.

5.8 **Establishment of Timmergreens Regeneration Partnership.** To support the delivery of a full regeneration programme, it is proposed that a Timmergreens Regeneration Partnership is established, with representatives from public, private and voluntary sectors, including tenants and residents from the redevelopment area. The partnership would oversee the development of the masterplan, including:

- Ongoing community and stakeholder consultation
- Potential social and economic initiatives to contribute towards improving the Scottish Index of Multiple Deprivation ranking of the area
- Monitoring elements of the programme
- Development of ideas and collaborative approach to delivery, including accessing external funding, and
- Maximising community benefit from Angus Council investment.

6. FINANCIAL IMPLICATIONS

6.1 Table 1 sets out estimates for the overall costs of the project. Estimated figures are based on first stage feasibility designs. Full costs will be reported back following negotiations through the Scottish Procurement Alliance. The project has been allowed for in the Strategic Housing Investment Plan 2017-2022 (report no. 394/16),

Table 1: Estimated cost of regeneration programme

Home Loss/ Disturbance	Buy Backs	Demolition	Redevelopment	Infrastructure	Fees	Environmental	Total
£246,000	£300,000	£599,400	£20,480,000	£2,092,800	£2,008,974	£494,600	£26,221,774

6.2 The Timmergreens regeneration would contribute towards the council new supply target of 350 units over the next 5 years, as detailed in the review of the Housing Revenue Account Business Plan approved on 14 February 2017 (report no. 71/17). It is estimated that approximately £7.5 million Scottish Government funding will be available towards the costs.

6.3 Full details of the costs and funding of the proposed development at Timmergreens will be included in a report to committee following discussions with SPA.

NOTE: The background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) which were relied on to any material extent in preparing the above report are:

- Policy and Resources Committee, 20 June 2017, Report Number 205/17 – ‘West Arbroath Regeneration’

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