

## **Council House Building Programme Phase 2**

### **Report by John Blair, Director, Resources**

#### **1 Purpose of Report**

The purpose of this report is to bring to the Cabinet's attention, recommendations from the Performance Review and Scrutiny Committee in relation to the Council House Building Programme, Phase 2, arising from the Cabinet's decisions on 28 May 2013.

#### **2 Background**

**2.1** On 28 May 2013, the Cabinet considered a report by the Head of Property and Facilities Management providing an overview of the progress for the Phase 2 of the Council's New Build Housing Programme and also updating the Cabinet on the Phase 1 build. The Cabinet agreed :-

- “(a) To note the progress on Phase 1 and 2;*
  
- (b) To note the progress on Sites 2 (Woodburn Road) and 37(Eastfield Drive);*
  
- (c) To note the progress on Sites 9 (Craigiebeld Crescent), 18 (Eastfield Drive) and 42 (Jackson Street) including House/Flat Types and planning submissions; and*
  
- (d) To note progress on procurement for the Phase 2 Sites and agree the revised milestone dates with the overall programme.”*

**2.2** The Cabinet's decision was subsequently called in by the Performance Review and Scrutiny Committee on the following grounds:-

*“We the undersigned wish to call in the whole decision of the Cabinet Meeting of Tuesday 28th May 2013 in relation to item 13 "Council House Building Programme Phase 2 - progress report" for the following reasons:*

- 1. We believe that the mix of house types contained in the proposed sites do not meet or take account of the recent introduction of the bedroom tax, which will have an impact on present and future tenants.*

*2. That the procurement methodology being used for Phase 2 follows that which was used for phase 1 and does not take into account the current economic climate, where the house builders are looking for contracts to keep their company going. It is questionable therefore that the Council is getting best value in the procurement route being followed as reported in the Cabinet Paper.”*

The effect of a call-in, is to freeze the Cabinet’s decision until the Performance Review and Scrutiny Committee’s consideration of the issue and the consideration of any recommendations made by the Committee to the Cabinet. The call-in was considered by the Performance Review and Scrutiny Committee on 4 June 2013 when the Committee agreed, as follows:-

*“To recommend to the Cabinet, that as soon as was practicable, that it review the housing mix approved at its meeting on 28 May 2013, in the light of the review of housing demand/need currently being undertaken by the Head of Housing and Community Safety.”*

2.3 The Head of Housing and Community Safety advises that the review of housing demand was carried out to inform the recommendations, the Housing Section had undertaken the following research to inform the housing mix in a further phase of Social Housing New Build Programme:

- Housing Need and Demand Assessment
- Survey of all Housing List Applicants
- Consultation with Staff and Tenants Groups
- Survey of all New Build Tenants

Key Points of New Build Phase 1 Housing Mix outcomes were reported.

- Housing principally for those on the transfer list.
- 50% of new council homes were flats, the majority being 2 bed, 3 person flats.
- 50% of homes were 2 bed properties.
- 50% of new council homes were houses, with 38% being 3 bed houses, 10% being 4 Bed, 6 Person Houses and less than 1% being 5 Bed homes.

Key Points of New Build Phase 2 Recommended Housing Mix were detailed.

- Housing for direct list and transfer list applicants.
- Building smaller properties to take account of support for this from consultation, because Housing Benefit changes will penalise households who under occupy, and to take account of the fact that 46% of applicants are single people.
- 260 flats and 190 houses (58% flats, 42% houses). Through feedback from consultation it is recommended that ‘four in a block’ (cottage flats) are built as much as possible as these are much more popular. Where this is not practical, ways to minimise common areas and improve

sound insulation in flats should be considered when designing new flats.

- 40% of homes would be 1 bed properties.
- 38% of homes would be 2 bed properties – approximately half of which would be 2 bed houses to address the strong demand for this house type.
- 18% of homes would be 3 bed properties.
- 3% of homes would be 4 bed properties
- Less than 1% would be 5 bed properties.

All housing applicants are presently subject to review to reflect the new policy and will receive direct communication of the changes to their position on completion of the review. At present there is a 40% return rate on review applications received.

### **3 Procedure**

In terms of procedure, in the event that the Cabinet declines to accept any or all of the Performance Review and Scrutiny Committee's recommendations, the matter shall continue to be frozen and referred *simpliciter* to the Council, for determination.

### **4 Report Implications**

#### **4.1 Resource**

There are no resource implications arising directly from this report. However, the Cabinet needs to be aware that changes to the policy adopted in respect of housing mix may have both capital and revenue implications for the Council in future developments.

#### **4.2 Risk**

The recommendations provided within this Report are intended to mitigate potential risks by ensuring the housing built considers the profile of future tenants and meets their aspirations to ensure that housing built is a safe long term investment for the Council.

#### **4.3 Single Midlothian Plan and Business Transformation**

Themes addressed in this report:

- Community safety
- Adult health, care and housing
- Getting it right for every Midlothian child
- Improving opportunities in Midlothian
- Sustainable growth
- Business transformation and Best Value
- None of the above

#### **4.4 Impact on Performance and Outcomes**

The plans for Phase 2 of the Council Housing Programme are consistent with Midlothian's Single Outcome Agreement 2010 -13

#### **4.5 Adopting a Preventative Approach**

N/A

#### **4.6 Involving Communities and Other Stakeholders**

Initial consultation was undertaken with all Housing staff in the Housing and Community Safety Section and Midlothian Tenants Forum, followed by a full survey of all Midlothian Council waiting list and transfer applicants.

#### **4.7 Ensuring Equalities**

An Equality Impact Assessment was carried out for the Council's Strategic Housing Investment Plan, which sets out the Strategy for future affordable housing development. The Council's Strategic Housing Investment Plan also notes that at least 5% of new affordable housing should be built for people with particular needs.

#### **4.8 Supporting Sustainable Development**

All proposed new housing will comply with relevant planning policies and with Building Standards (Scotland) Regulations.

#### **4.9 IT Issues**

N/A

### **5 Recommendation**

The Cabinet is invited to consider the recommendation of the Performance Review and Scrutiny Committee

**Date 31 July 2013**

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**Background Papers:**

**Declaration Box**

**Instructions:** *This box must be completed by the author of the report. The box will be copied and saved by the Council Secretariat who will delete it from the report prior to photocopying the agenda.*

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*I confirm that I have undertaken the following actions before submitting this report to the Council Secretariat (Check boxes to confirm):-*

- All resource implications have been addressed. Any financial and HR implications have been approved by the Head of Finance and Human Resources.*
- All risk implications have been addressed.*
- All other report implications have been addressed.*
- My Director has endorsed the report for submission to the Council Secretariat.*

*For Cabinet reports, please advise the Council Secretariat if the report has an education interest. This will allow the report to be located on the Cabinet agenda among the items in which the Religious Representatives are entitled to participate.*

*Likewise, please advise the Council Secretariat if any report for Midlothian Council has an education interest. The Religious Representatives are currently entitled to attend meetings of the Council in a non-voting observer capacity, but with the right to speak (but not vote) on any education matter under consideration, subject always to observing the authority of the Chair.*