
NORTH AYRSHIRE COUNCIL

26 January 2021

Cabinet

Title:	Estate Based Regeneration Programme: Demolition of low demand housing stock in the Garnock Valley
Purpose:	To advise Cabinet of progress with the proposal to demolish 48 flatted properties across four streets in Beith, Dalry and Kilbirnie.
Recommendation(s):	<p>That Cabinet notes</p> <ul style="list-style-type: none">(i) progress to date on the proposal and the ongoing tenant engagement and rehousing exercise in place for the affected tenants; and(ii) projects identified which will replace the 48 units within the Garnock Valley.

1. Executive Summary

- 1.1. In January 2019, Cabinet approved the 2019-2029 Estate Based Regeneration Programme which includes three projects to demolish 48 flatted properties in the Garnock Valley area named as 'Regeneration Projects 4, 5 and 6'. The projects are programmed to commence during 2021/22.
- 1.2. Contact has been made with all tenants of the affected blocks. The displaced tenants have re-housing priority for an area of their choice and will receive a home loss payment. Their new homes will be fully redecorated, including new carpets and window blinds. They will also receive practical assistance with moving arrangements.
- 1.3. Whilst the proposed demolition will reduce the number of homes available for let in the Garnock Valley in the short to medium term, the impact on waiting list applicants in this area will be minimal due to the low demand of these properties.
- 1.4. The Strategic Housing Investment Plan (SHIP) 2021-2026 was approved by Cabinet on 10 November 2020. It includes 'Regeneration Projects 1a and 1b', totalling 13 units, in the Beith and Kilbirnie areas. Development of the former Garnock Academy has been increased from 15 to 50 units in the most recent SHIP. These developments will offset the reduction in Council homes in the Garnock Valley as a result of the demolitions.
- 1.5. Sites resulting from the demolition will be used for redevelopment, landscaping and additional parking.

2. Background

- 2.1 North Ayrshire's Local Housing Strategy 2018-2022 (LHS) reflects the Council's commitment to investing and regenerating our communities, enhancing the housing stock to meet the aspirations of our tenants, and improving tenants' quality of life by providing affordable, sustainable and desirable housing. A key consideration in delivering the LHS is evaluating the lifespan of our current housing stock, and whether it reflects our vision for housing.
- 2.2 In January 2019, Cabinet approved the implementation of an Estate Based Regeneration Programme, which included the demolition of flatted properties in various locations across the Garnock Valley. The units are all Council owned, situated in residential streets which are a mix of Council and privately owned family housing (comprising houses, not flats), in the following locations:
- Laburmum Avenue, Beith (12 x 1 bed and 4 x bedsit units, 4 blocks);
 - Acacia Drive, Beith (4 x 1 bed units, 1 block);
 - Baidland Avenue, Dalry (8 x 1 bed units, 2 blocks); and
 - Newhouse Drive, Kilbirnie (20 x 1 bed units, 5 blocks).

Identification of the Regeneration Project

- 2.3 In order to develop the Estate Based Regeneration Programme, officers undertook a comprehensive map-based review of all our estates. The mapping work included condition information from our asset management system, local housing officer intelligence, environmental and visual audits, tenant complaints, and ownership details.
- 2.4 This mapping work identified a variety of potential improvements within our estates, including the need for demolition and redevelopment of low demand stock.
- 2.5 For the Garnock Valley project, the following factors were considered, alongside the qualitative information gathered during the mapping process:

Demand Issues

- 2.6 Information on refused offers suggested area perception is an issue. The rate of refusal linked to street / area is 12.5% higher than the North Ayrshire average. Furthermore, many applicants who have refused an offer in the identified streets have referred specifically to the flatted properties (e.g. 'don't want to live near flats at ...').
- 2.7 The rate of voids (or turnover) is also a measure of desirability and suitability. Lower turnover indicates a more settled and adequately housed community. Turnover per unit from 2009-2019 in the flats ranged from two to four times that of the houses across the four areas.
- 2.8 Time a property is empty, or void, was also analysed to determine demand, as it can reflect time to allocate due to refusals. For the period 2009-2019, the

average days to let for the 48 flats was 24.5, compared to 12.3 days for houses in the same streets and 19.7 days for all stock (inclusive of these properties). The flats in Laburnum Avenue have the highest average void period of 33.2 days.

Cost of Retaining Stock

- 2.9 Collectively, the void rent loss for the period 2009-2019 is c.£50k for flats, in comparison to c.£10k for houses in the regeneration areas. This is most significant in Laburnum Avenue, where the void rent loss is over 11 times more in flats than in houses.
- 2.10 Almost £1m in planned maintenance/capital works is due to be spent on the blocks proposed for demolition over the next 10 years, with over half of this spend allocated in years 1-5. Whilst this is a significant investment, there is no indication that it will improve demand for the units

Tenant Rehousing and Engagement

- 2.11 Officers have developed a rehousing strategy which considers the expedient vacation of the 48 flats, the needs of those currently on the North Ayrshire Housing Register and our statutory obligations to meet the housing needs of homeless people. Housing Services has experience of this on a larger scale, with the current programme to relocate tenants in the five multi-storey tower blocks in the Fullarton area of Irvine due to complete in 2021.
- 2.12 Tenants of the flatted properties will be provided with fully redecorated homes, with new carpets and blinds. They will also be entitled to a home loss payment of £1,500. The Council will provide practical assistance with moving arrangements for all tenants, including support to arrange re-direction of utilities and other services.
- 2.13 Tenants were first contacted on 30 October 2020 to advise of the regeneration proposals. The dedicated Regeneration Team quickly made follow up contact to ensure every household has a live application with their specific area preferences logged. Tenants responded to this very quickly and feedback has been overwhelmingly positive, both in terms of the rehousing process and package of support provided by the Regeneration Team.
- 2.14 19 of the 48 properties are now empty. Ten of the 29 remaining tenants currently have an offer of housing.
- 2.15 Whilst the demolition of these properties will reduce the number of homes available for let in the Garnock Valley, the impact on waiting list applicants will be minimal. Furthermore, the impact of rehousing displaced tenants in the Garnock Valley on other waiting list applicants should not be significant, as this area has a higher than average void rate.

Regenerating the 'Gap' Sites

2.16 Following demolition, several small 'gap' sites will remain. The intention is to utilise the sites as follows:

- Acacia Drive, Beith: increase parking provision;
- Laburnum Avenue, Beith: develop approximately six new amenity and 'wheelchair' accessible homes (if site levels allow level access);
- Newhouse Drive, Kilbirnie: develop approximately seven new amenity and 'wheelchair' accessible homes (if site levels allow level access);
- Baidland Avenue, Dalry: install gateway features to enhance the entrance to Baidland Avenue and increase parking provision.

2.17 The plans for regeneration do not facilitate replacement of the total number of units lost on the same sites. An allowance for these properties is, however, incorporated into the overall housebuilding programme through our Strategic Housing Investment Plan 2021-2026 (SHIP). We will seek to maximise densities as far as possible on those locations earmarked for redevelopment, with early calculations indicating a minimum of 13 new homes across the two sites of Laburnum Avenue, Beith and Newhouse Drive, Kilbirnie. The existing ground levels and conditions will require further investigation to determine the feasibility of residential development at these sites.

2.18 In addition, the SHIP 2021-2026 includes an increase of 35 units at the former Garnock Academy site in order to replace the remaining units which will be demolished. An additional 49 units (45 homes) have already been completed through the SHIP at Watt Court, Dalry replacing the former 13-unit sheltered housing complex.

2.19 Areas of new parking or gateway features will be included in the demolition contract, to ensure the areas are brought back into use quickly.

Sustainability

2.20 The new homes will meet the Scottish Government's 'Greener Standard'. Innovative approaches to fuel efficient development will be considered on a site by site basis (e.g. biomass boilers, solar photovoltaic panels, smart technologies, etc.).

Costs

2.21 A budget of £0.475m within the approved Estate Based Regeneration Programme will support the demolition and parking/landscaping costs. This budget will also be utilised to enable any wider improvements to the areas.

2.22 Regeneration Projects 1a and 1b in the SHIP have indicative budgets of £1.171m and £1.366m respectively, to redevelop the Laburnum Avenue and Newhouse Drive gap sites. The former Garnock Academy site has an indicative budget of £9.756m for the 50 units included in the SHIP.

- 2.23 The inclusion of these projects in the Strategic Housing Investment Plan offers the opportunity to secure Scottish Government grant funding of £59k per new unit developed (included in the overall project budgets detailed above).

Indicative Timeline

- 2.24 The works at Acacia Drive and Baidland Avenue are currently expected to commence with demolitions in autumn / winter 2022 and complete by autumn / winter 2023.
- 2.25 Regeneration Projects 1a and 1b are currently programmed to commence with demolitions in autumn/winter 2022 and complete during spring 2024, pending completion of the decant process and site investigations. Should the sites be vacated more expediently, there is an opportunity to accelerate the projects.
- 2.26 Works are expected to commence at the former Garnock Academy site during 2021 and complete by spring 2023.

3 Proposals

- 3.1 That Cabinet notes
- (i) progress to date on the rehousing exercise of the affected tenants: and
 - (ii) projects identified to replace the 48 units within the Garnock Valley.

4. Implications/Socio-economic Duty

Financial

- 4.1 The costs for redeveloping Newhouse Drive and Laburnum Avenue are included within the £217.842m budget (inclusive of Scottish Government funding) identified to deliver the projects set out within the SHIP 2021-2026 as approved by Cabinet on 10 November 2020. The Estate Based Regeneration Programme budget of £0.475m for these projects will be utilised to support the demolition, parking/landscaping costs and any wider improvements identified as part of the projects.

Human Resources

- 4.2 None.

Legal

- 4.3 The demolition of the flatted properties will involve home loss payments for affected tenants, as set out within the Land Compensation (Scotland) Act 1973. The Town & Country Planning (General Permitted Development) (Scotland) Order 1992, Schedule 1, Part 12, Class 33, as amended, enables local authorities to carry out works, within their district, for the erection of dwellings so long as the development conforms with the Local Development Plan. Where this is the case the Council will obtain a 'Certificate of Lawfulness' from the Council's Planning Service. This will certify that each site has been considered against the full terms of the adopted Local Development Plan.

Equality/Socio-economic

- 4.4 The provision of new social housing will have a positive impact on those who require specialist accommodation, older people, those who are homeless, or at risk of homelessness, and those for whom purchasing a home is not an affordable option. The benefits of new build housing in relation to health, wellbeing and educational attainment, are well documented.

Environmental and Sustainability

- 4.5 The provision of replacement housing stock would support the principles of the North Ayrshire Environmental Sustainability & Climate Change Strategy 2017-20 in terms of providing sustainable housing stock which has lower running costs for tenants and lower carbon emissions. New housing is more energy efficient, better ventilated, and has higher levels of thermal comfort, which can result in alleviation of the symptoms in a number of medical conditions, for example respiratory and rheumatoid illnesses.

Key Priorities

- 4.6 This project meets the Council's priority of an 'Inspiring Place', specifically the priority outcome 'affordable, modern and well-designed homes that meet residents' needs' by delivering quality new build housing which is affordable, sustainable and accessible. Research undertaken by both the British Research Establishment and Shelter Scotland confirms an evidential link between quality of housing, educational attainment, and health and wellbeing. The provision of new family housing to replace some of the current flatted accommodation would provide modern, accessible housing to improve life outcomes for children and young people.

Community Wealth Building

- 4.7 Effective use of community benefit clauses in development contracts, and partnership work with colleagues in Economic Development to support our local

construction and supply chain companies to bid for this work, can secure many of these jobs for our local people and support the Council's Community Wealth Building Strategy.

5. Consultation

- 5.1 Consultees for the Estate Based Regeneration Programme, which identified this project, included housing professionals, corporate colleagues from across the Council, HSCP and Police Scotland. Extensive engagement with tenants has been undertaken as part of the rehousing process through the Regeneration Team. This has been successful to date, with all remaining tenants having a housing application completed, 19 properties currently empty, and ten of the remaining tenants with an offer of housing.

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Background Papers