



SERVICES FOR THE COMMUNITY POLICY DEVELOPMENT AND SCRUTINY PANEL

AFFORDABLE HOUSING DELIVERY UPDATE

REPORT BY HEAD OF HOUSING, CUSTOMER AND BUILDING SERVICES

A. PURPOSE OF REPORT

The purpose of this report is to update the panel on various initiatives to increase the supply of affordable housing in West Lothian and to advise the panel of a proposed change to the council's new build programme.

B. RECOMMENDATION

It is recommended that the panel:

- (1) note the progress being made on delivering 3,000 affordable homes in West Lothian over the period 2012-2022; and
- (2) note that Lovell Partnerships has withdrawn from developing Nelson Park and that Council Executive will be asked to agree to replace the proposed 26 Nelson Park units with 26 Open Market Acquisitions.

C. SUMMARY OF IMPLICATIONS

I Council Values	<ul style="list-style-type: none">• Focusing on our customers' needs;• Being honest, open and accountable;• Providing equality of opportunity;• Making best use of our resources; and• Working in partnership.
II Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment)	<p>The policy of supporting the delivery of affordable housing is covered in the West Lothian Local Housing Strategy.</p> <p>Environmental and equality assessments will be carried out as appropriate.</p>
III Implications for Scheme of Delegation to Officers	None.
IV Impact on performance indicators	None.
V Relevance to Single Outcome Agreement	<p>Our economy is diverse and dynamic and West Lothian is an attractive place to do business.</p> <p>We live in resilient, cohesive and safe communities.</p>

We make the most efficient use of our resources by minimising our impacts on the built and natural environment.

VI Resources - (Financial, Staffing and Property)

The Housing Capital Programme 2018/19 to 2022/23 approved by West Lothian Council on 13 February 2018 approved £70.497 million for the New Build Council Housing Programme.

Scottish Government grant of £38.915 million will be available to support the delivery of affordable housing in West Lothian over the next three years. The Resource Planning Assumptions are £12.174 million for 2018/19, £12.984 million for 2019/20 and £13.757 million for 2020/21.

VII Consideration at PDSP

The Services for the Community PDSP last considered a report on affordable housing delivery on 10 April 2018.

VIII Other consultations

Finance and Property Services; Corporate Procurement Unit; Legal Services

D. TERMS OF REPORT

D.1 Background

The approved West Lothian Housing Strategy 2017 - 2022 recognises the need to increase the supply of affordable housing in West Lothian to meet need and demand. Included within the strategy is a target of 3,000 affordable homes being provided in West Lothian over the 10 year period to 2022.

The council's Corporate Plan 2018 to 2023 commits the council to increasing the number of affordable homes through the New Build Council Housing Programme and working in partnership with Registered Social Landlords (RSLs).

D.2 Progress towards meeting the 3,000 affordable homes target

Since the beginning of 2012/13, 1,434 affordable homes have been built / acquired. A breakdown is provided in Table 1 below:

Table 1

	WLC new build completions	WLC acquisitions	RSL new build completions	RSL acquisitions
2012/13 – 2017/18	804	149	288	19
2018/19 (to 7 th September)	151	21	0	2
Total	955	170	288	21

As can be seen from Table 1, the majority of the affordable homes provided in West Lothian since 2012/13 have been provided by West Lothian Council. However, the approved West Lothian Housing Strategy 2017-22 highlights the opportunity for other housing providers to make a greater contribution to affordable housing delivery over the period of the strategy.

From 1 April 2018 to 7 September 2018, 151 new build homes have been provided in West Lothian. The location of the new build completions during 2018/19 is shown in Table 2 below:

Table 2

Site	Housing Provider	No. of units
Eastfield Road, Fauldhouse	WLC	40
Redhouse, Blackburn	WLC	43
Almondell, East Calder	WLC	6
Kirkhill, Broxburn	WLC	36
Lammermuir, Livingston	WLC	6
Winchburgh	WLC	13
Mayfield	WLC	6
Bathville	WLC	1
Total		151

D.3

Affordable homes currently under construction

Affordable homes are currently under construction at 12 sites across West Lothian. Nine of the sites are part of the council's new build programme and three of the sites are being developed by RSL's. A total of 655 houses are under construction.

A breakdown of the sites is provided in Table 3 below:

Table 3

Site	Housing Provider	No. of Units Under Construction
Kirkhill, Broxburn	WLC	129
Redhouse, Blackburn	WLC	4
Wester Inch, Bathgate	WLC	86
Lammermuir, Livingston	WLC	38
Mayfield, Armadale	WLC	16
Almondell, East Calder	WLC	30
Winchburgh CDA	WLC	28
Deans South, Livingston	WLC	54
Drumshoreland, Pumpherstons	WLC	86
Bathville	WLC	2
Jarvey Street, Bathgate	West Lothian Housing Partnership	42
Winchburgh CDA	West Lothian Housing Partnership	55
Dixon Terrace, Whitburn	Dunedin Canmore	85
Total		655

D.4 Other sites programmed to commence in 2018/19

A number of new affordable housing sites are expected to commence before the end of 2018/19. A breakdown of these sites is provided in the Table 4 below:

Table 4

Site	Housing Provider	No. of Units
Bathville phase 4	WLC	3
Deans South, Livingston	WLC	37
Redhouse Road, Seafield	West Lothian Housing Partnership	18
Standhill South, Armadale	Castle Rock Edinvar	27
Quentin Court, Livingston	Castle Rock Edinvar	18
Polbeth Farm, Polbeth	West Lothian Development Alliance	25
Cloverbank, Ladywell (St Paul's Church), Livingston	West Lothian Development Alliance	12
Total		140

The above list is indicative and subject to change. The panel will be updated on progress at various stages throughout the year. The council is also planning to acquire more former council houses from the open market during 2018/19.

D.5 Proposed change to programme

A development of 26 houses at Nelson Park, Armadale, is currently included in the new build programme. This site was within Lot 3 which was awarded to Lovell Partnerships. In September 2018, Lovell Partnerships intimated to the council that they were withdrawing from developing this site. In light of this decision, various options have been considered including re-tendering the project, relocating the units to another site or replacing the units with Open Market Acquisitions.

Given the known issues with ground conditions at Nelson Park, developing the site will be expensive so re-tendering the site is not recommended. Re-allocating the units to another site would be possible but the units will take time to procure and build. Given the high demand for affordable housing in West Lothian, it is recommended that the Nelson Park units are replaced by Open Market Acquisitions as this will be the fastest delivery route.

It is proposed that the government grant currently allocated to Nelson Park is allocated to support the delivery of 26 Open Market Acquisitions. It is proposed that the focus of the acquisitions is primarily in the Armadale and Blackridge ward and that £2.6 million of the new build budget be allocated for Open Market Acquisitions to purchase 26 former council houses.

D.6 Update on the new WLC affordable housing programme comprising 250 units

Six sites for the new WLC affordable housing programme were approved on 17 April 2018. The sites and the indicative number of units for each site are as follows:

Site	Units
Eagle Brae, Livingston	30
Guilddiehaugh, Bathgate	81 (changed from 88)
Vion, Broxburn	14 (changed from 12)
Mossend, West Calder	69
Standhill, Bathgate	25
Brucefield, Livingston	33 (changed from 26)
Total	250

A variety of procurement options are envisaged, including call offs from third party frameworks and traditional procurement, including the possibility of directly negotiated contracts from on-site suppliers. The appropriate procurement approach for each site will be assessed on a case by case basis and where necessary to comply with standing orders, approval for contract awards will be sought from Council Executive. Further details will be provided in due course.

D.7 Reaching the 3,000 affordable homes target

Good progress has been made towards achieving the 3,000 affordable homes target. 1,434 homes have been delivered, 655 are under construction and there is a pipeline of future council and RSL developments which will take place over the next few years. Table 5 below summarises the position, assuming that Council Executive approve the recommendation to remove Nelson Park from the new build programme and replace the 26 new build units site with 26 Open Market Acquisitions.

Table 5

	Units
WLC new builds	955
WLC Acquisitions	104
WLC new builds under construction	473
RSL new builds	288
RSL Acquisitions	21
RSL new builds under construction	182
WLC future new build	299
WLC future Acquisitions	96
Total	2418
Balance	582

E. CONCLUSION

Progress is being made with increasing the supply of affordable housing in West Lothian. Various delivery methods are being pursued.

The council's target is to deliver 3,000 affordable homes over a 10 year period to 2022. Since the start of 2012/13, 1,434 affordable homes have been delivered and a further 655 are under construction. A significant number of completions are expected in 2018/19. Several new affordable housing developments are in the pipeline.

Lovell has withdrawn from developing Nelson Park. It is proposed that the 26 new build units at Nelson Park are replaced with 26 Open Market Acquisitions.

F. BACKGROUND REFERENCES

Several reports to Council Executive and Services for the Community PDSP from 7 February 2012 to 17 April 2018

Housing Capital Investment Programme 2018/19 – 2022/23 – Report to West Lothian Council 13 February 2018

Appendices/Attachments: None

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