
Report to Council of 12 March 2009

Subject: Bowmar Regeneration Development Framework

Prepared by: Kenny Hutton, Strategic Housing Services Manager

1.0 Purpose

- 1.1 To seek approval of the Development Framework for the regeneration of Bowmar, which is the latest stage in what is known collectively as a master planning exercise. The report considers, in detail, the process for tackling the physical regeneration of the area, including new housing and redevelopment. This follows Council approval at the meeting on 11 May 2006 that a 'Masterplan' be delivered to link redevelopment of Ash Grove with Elm Grove and contribute to the Council's wider regeneration objectives.

2.0 Recommendations

The Council is recommended to:

- 2.1 Give in principle approval for the Development Framework.
- 2.2. Instruct the Head of Housing to complete an implementation plan, including confirmation of consultation with affected residents, stakeholders and community representatives.
- 2.3. Instruct the Head of Housing to secure the necessary Ministerial consent for the selective demolition of 15 properties in the Island Courts.
- 2.4. Instruct the Head of Housing to seek the approval of Scottish Ministers to refuse a Right to Buy application for those properties identified for demolition.
- 2.5. Exercise its powers within the Allocations Policy to prioritise those tenants affected by proposed demolitions, for nomination and rehousing.
- 2.6. Agree to Home Loss and Disturbance payments being made to tenants in line with legislative requirements and with previous demolitions at Newmills and Ash Grove.
- 2.7. Agree that planned capital works be suspended for properties selected for demolition within the Island Courts, whilst ensuring that complementary investment for retained properties adds to the improvement of the area.
- 2.8. Instruct the Head of Housing to submit a future paper to Council confirming the position for the future of properties in Earn Court and Pine Grove.

- 2.9. Instruct the Head of Housing, in partnership with Ochil View Housing Association, to pursue the most effective procurement options for implementing the Development Framework.
- 2.10. Consider the Development Framework a material consideration in terms of the Town and Country Planning (Scotland) Act 1997, for any relevant planning submission in the Bowmar area.

3.0. Considerations

- 3.1 Clackmannanshire Council considered a paper from the Service Manager, Strategic Housing Services at its meeting of 11 May 2006 regarding the disposal and demolition of Ash Grove, Bowmar. Within that paper, it was proposed to deliver a masterplan to link the development of Ash Grove with that of Elm Grove, and any subsequent redevelopment.
- 3.2. Following from this, Patience & Highmore Architects were commissioned by the Council, Ochil View Housing Association and Paragon Housing Association in 2006 to undertake a 'master planning' exercise. This is to be viewed alongside the Council's wider commitment to regeneration. Approval of this Framework will commit the Housing Service to work closely with partners to ensure those wider regeneration objectives are met.
- 3.3. The Development Framework for Bowmar is the latest in a set of Plans completed by consultants which presents a vision for the community representing the culmination of 2 years of negotiation and consultation with key stakeholders. The Plans include a Sustainability Study of Bowmar, a Baseline Report, Interim Report, Stakeholder Mapping, Consultation Report and Final Draft Report. An Asset Plan will be forthcoming.
- 3.4. From the outset, a Steering Group was formed to lead this process including both local Housing Associations, the (then) Communities Scotland, housing, planning and community planning officials, community and tenant representatives and local elected members. Specific consultations on proposals were also conducted with roads officials.
- 3.5. Primary Goals and Design Criteria agreed by the steering group are set out at 2.2 and 2.4 of the Development Framework. Central to these are the concepts of improved linkage and integration, improved pedestrian and vehicle safety, more varied socio economic housing tenure profile and support for existing services and investment including the new school. These, along with deliverability, are considered to be the key drivers to achieve the regeneration of Bowmar.
- 3.6. A number of options for change were produced which were considered by the Steering Group and consultation was carried out with the local community. These ranged from no change to radical demolition and redevelopment. The proposed Development Framework focuses upon "surgical change" - the option chosen by the Steering Group after completion of the consultation plan and options appraisal. The specifics of that surgical change have reduced over time to that which is acceptable, deliverable and essential for the sustained regeneration of Bowmar.

3.7. The proposed Development Framework has been made available to Members in Group rooms prior to the Council meeting.

3.8. The specific recommendations within the Development Framework will require officers of the Council's Housing Service to complete and resource an implementation plan. This will set out how the Framework will be taken forward with partners and who will take responsibility for the tasks within it. The Implementation Plan will include:-

- proposals for how affected tenants and stakeholders will be informed and consulted,
- proposals for how the future ongoing support of affected tenants will be resourced,
- a clear communication plan timed to coincide with key events within the Development Framework,
- clarity as to how mainstream services will be sustained through a process of transition,
- confirmation that residents' groups will be involved throughout the process,
- confirmation of housing revenue estates investment and housing capital investment available and earmarked to complement redevelopment and new build proposals.

3.9. In summary, the development framework proposes the following:-

	New houses to Rent	Demolitions	Net Gain (Affordable Housing)	New houses for Sale
Essential Element of Framework				
Central / Island Courts	43	15	28	43
Potential Future Element of Framework (subject to further investigation)				
Earn Court	8	22	-14	10
Pine Grove	10	33	-23	12

3.10 Provisions in Part 2, Chapter 2 of the 2001 Housing (Scotland) Act inserted a new section 70A into the 1987 Housing (Scotland) Act which allows landlords to seek the approval of Scottish Ministers to refuse a Right to Buy application on the grounds that the property is earmarked for demolition. The landlord is required to have recorded a clear decision to demolish. Tenants are required to be consulted on such a decision.

- 3.11. The Land Compensations (Scotland) Act 1973 Section 27 and 28 provide tenants with a statutory right to compensation and an amount of Home Loss payment subject to a specified maximum of £1,500.
- 3.12 Section 98 of the Housing (Scotland) Act 1987 and Section 36 of the Land Compensations Act 1973 oblige the Council to re-house displaced persons. The Council's allocations policy enables the Head of Housing to place tenants affected by such demolition proposals within Band 1 of the waiting list. This would give these tenants priority for re-housing and nomination.
- 3.13 The Housing (Scotland) Act 1987 Section 12 and 13 provide Councils with the power to sell land held for housing purposes with specified conditions upon application to Scottish Ministers. Any land or property required to be disposed of as a necessary part of the Development Framework will be brought forward with full asset proposals to a future Council meeting for approval.
- 3.14 The design encompasses the principles of Secured by Design and Homezones. The approved Local Plan 1st Alteration (Consultative Draft) features allocations of land in Bowmar to support this Plan. The Development Framework, together with Planning Policy, will be material considerations in considering future decisions.
- 3.15 The Steering Group has recommended that areas for further, more detailed, study should include environmental design, open space and play space. The design highlights the importance of open space, especially in the central parkland area, and limits development to agreed priority areas.
- 3.16 The design includes the potential for 6 new houses adjacent to the Island Courts on non-Housing land at the boundary of the Campus area. Progression of such a proposal on this land will require to be routed through the appropriate parties within the Council's wider Asset and Facilities Management team.
- 3.17 The longer term proposals within the Plan include redevelopment of the Pine Grove and Earn Court areas. The streetscape at Pine Grove in particular is regarded as central to improvements in that area of Bowmar. These longer term proposals will involve further discussion with residents and elected members to ensure that such plans are consistent with the Housing Revenue Account Business Plan and wider Council priorities.
- 3.18 Pedestrian and cycleway routes have been maintained and enhanced, providing safer routes to schools throughout the area.
- 3.19 Environmental enhancements are recommended to all Courts as appropriate and additional, secure in-curtilage parking provided where possible.
- 3.20 An indicative programme of development has been proposed by the consultant. The sequence is based on the assumption that the essential components are undertaken first. Early construction will focus on new homes to rent in Elm Grove, which will provide an opportunity to re-house residents affected by demolition and therefore trigger the demolition and enhancement process in the Island Courts.

- 3.21 The delivery process takes place within the context of rapid change in the construction market and changes to the funding of affordable housing, all of which will be key considerations in the final outcome of the regeneration proposals. Council Officers will work with Ochil View Housing Association to investigate the most appropriate procurement mechanism and will submit a future report to Council.

4.0. Sustainability Implications

- 4.1 The origin of this exercise centres upon a Sustainability Study designed by HCH Scotland consultants and updated by the Housing Service. Since 2006, the process of completion of each stage of the Development Framework has sought to involve the planning authority and to therefore acknowledge any relevant commitments made in the Local Plan Policy, the Draft Open Space Strategy, as well as the Sustainability and Climate Change Strategy 2008.
- 4.2 The Scottish Government has advised that it seems unlikely that a full Strategic Environmental Assessment (SEA) will be required as the Development Framework sits within the broader context of the Local Plan and the recent alteration has had a full SEA undertaken. The Strategic Housing Investment Plan (SHIP) which covers the intended Affordable Housing element has also been subject to a screening report. On the advice of the S.E.A. Gateway at the Scottish Government, Officers are conducting a pre-screening report. An Equalities Impact Assessment has been completed.

5.0. Resource Implications

- 5.1 The Council will be free from costs for ongoing capital investment and meeting the Scottish Housing Quality Standard for all properties affected by demolition.
- 5.2 The total cost of compensating tenants in the Island Courts for Home Loss will be no more than £22,500. An additional amount of £10,000 for disturbance payments will also be set aside to cover reasonable costs associated with moving home.
- 5.3 The consultants have carried out a projected 'ballpark' cost appraisal which shows a total projected scheme cost of around £19.1m. Based on current Scottish Government guidelines, the Housing Association Grant input would be around £4.6m, with an additional £2.4m in private finance from Ochil View Housing Association. The projected Council contribution for demolitions, land sales and environmental improvements would be around £1m.

All costs and funding quoted are estimates based upon the agreed design but subject to change with any future revisions. The highest risk associated with the Development Framework centres upon the construction market and the global credit crunch, which limits what would have previously been reasonable confidence in house sales figures. In addition, the longer term revision of the Affordable Housing Investment Programme issued to Registered Social Landlords may influence the pattern of spend in later years. Such risks will be identified by officers and managed appropriately.

The full financial implications of the recommendations, set out in Appendix 1 to the report, are summarised as follows:-

Total Scheme Development Costs	£19,108,639
Council contribution	£1,035,000
Affordable Housing Investment Programme	£4,636,000
Environmental Grants	£275,180
Sales (projected 2008 figures)	£10,514,000
Private Finance (OVHA)	£2,440,000
Total Identifiable Funding	£18,900,180
Projected Deficit (Jan 09)	£208,459

It is anticipated that funding for the projected deficit will be sourced as part of the overall procurement exercise and ongoing negotiations with the Scottish Government and partners.

- 5.4 The regeneration programme will require an ongoing commitment of staff time, particularly from the Housing Operations team. This will be resourced from the existing complement of staff but will require an amendment to current team priorities.

6.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) Our Priorities 2008 - 2011 (Please tick ☒)

The area has a positive image and attracts people and businesses	<input checked="" type="checkbox"/>
Our communities are more cohesive and inclusive	<input checked="" type="checkbox"/>
People are better skilled, trained and ready for learning and employment	<input checked="" type="checkbox"/>
Our communities are safer	<input checked="" type="checkbox"/>
Vulnerable people and families are supported	<input checked="" type="checkbox"/>
Substance misuse and its effects are reduced	<input checked="" type="checkbox"/>
Health is improving and health inequalities are reducing	<input checked="" type="checkbox"/>
The environment is protected and enhanced for all	<input checked="" type="checkbox"/>
The Council is effective, efficient and recognised for excellence	<input checked="" type="checkbox"/>

(2) Council Policies (Please detail)

7.0 Equalities Impact

7.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?

Yes ☒

No ☐

8.0 Legality

8.1 In adopting the recommendations contained in this report,
the Council is acting within its legal powers

Yes ☒

APPROVAL/SIGNATURE	DATE
Head of Service:	
Director:	
<small>*Delete as appropriate</small>	

REPORT TO COUNCIL

To: Head of Administration and Legal Services, Greenfield, Alloa FK10 2AD

Report author: Kenny Hutton, Strategic Housing Services Manager

Service: Services to People

Report title: Bowmar Regeneration Development Framework

Date of meeting: 12 March 2009

It is recommended that the attached report be:

1. Given unrestricted circulation
2. Taken in private by virtue of paragraph 2 of schedule 7A of the Local Government (Scotland) Act 1973 ☒

List any appendices attached to this report (if there are no appendices, please state 'none')

1. Summary Costs.
- 2.
- 3.
- 4.

List the background papers used in compiling this report . If you have completed a sustainability checklist please add this to your list (if there are no background papers please state 'none')

1. Sustainability checklist
2. Bowmar Regeneration Baseline Study (consultant report)
3. Bowmar Regeneration Interim Report (consultant report)
4. Bowmar Regeneration (Consultation Report)Nb. All documents listed must be kept available by the author for public inspection for four years from 12 March 2009

Summary of Capital Costs and Funding

COSTS

	acquisition	legal	A&D allow (incl env allow)	works (incl cont profit and prelims)	consultant fees	B reg and planning	Other fees (specify)	Capitalised interest	TOTAL SCHEME COSTS
ISLAND COURTS	£ 60,000	£ 6,468	£ 500,000	£ 917,113	£ 119,224	£ 2,846	£ 20,000	£ 117,860	£ 1,743,511
ELM GROVE AND CENTRAL PARKLANDS	£ 680,000	£ 46,354	£ 200,000	£ 8,531,156	£ 716,306	£ 35,233	£ 175,000	£ 723,348	£ 11,107,397
LOMOND / RANNOCH / LEVEN COURTS				£ 181,125	£ 16,301	£ 863		£ 14,541	£ 212,830
MENTEITH COURTS			£ 175,000	£ 180,375	£ 31,984	£ 288		£ 31,012	£ 418,659
EARN COURT	£ 100,000	£ 10,780	£ 150,000	£ 2,096,688	£ 154,862	£ 8,194	£ 50,000	£ 185,322	£ 2,755,846
PINE GROVE AND WALLED GARDEN	£ 195,000	£ 9,996	£ 200,000	£ 2,067,319	£ 152,417	£ 8,064	£ 50,000	£ 187,600	£ 2,870,396
	£ 1,035,000	£ 73,598	£ 1,225,000	£ 13,973,776	£ 1,191,094	£ 55,488	£ 295,000	£ 1,259,683	£ 19,108,639

FUNDING

	Cont from CC for land sale	hag	Loan from rental income	Sales of houses	GPSE grant	Shortfall / Surplus	TOTAL FUNDING
ISLAND COURTS	£ 60,000			£ 924,000	£ 77,715	£ 681,796	£ 1,743,511
ELM GROVE AND CENTRAL PARKLANDS	£ 680,000	£ 3,268,000	£ 1,720,000	£ 6,622,000	£ 129,000	-£ 1,311,603	£ 11,107,397
LOMOND / RANNOCH / LEVEN COURTS						£ 212,830	£ 212,830
MENTEITH COURTS					£ 14,465	£ 404,193	£ 418,658
EARN COURT	£ 100,000	£ 608,000	£ 320,000	£ 1,540,000	£ 24,000	£ 163,845	£ 2,755,845
PINE GROVE AND WALLED GARDEN	£ 195,000	£ 760,000	£ 400,000	£ 1,428,000	£ 30,000	£ 57,395	£ 2,870,395
	£ 1,035,000	£ 4,636,000	£ 2,440,000	£ 10,514,000	£ 275,180	£ 208,456	£ 19,108,636

