

**SOUTH AYRSHIRE COUNCIL**

**REPORT BY HEAD OF HOUSING AND FACILITIES  
AND HEAD OF PROPERTY AND RISK  
TO LEADERSHIP PANEL OF 22<sup>nd</sup> AUGUST 2017**

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**Subject: Affordable Housing Development – The Former Whitletts Primary School Site, Ayr**

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**1. Purpose**

- 1.1 The purpose of this report is to seek Leadership Panel agreement to the development of a Council house new build development on the site of the former Whitletts Primary School, Main Road, Ayr.

**2. Recommendations**

- 2.1 It is recommended that the Leadership Panel agrees:

- 2.1.1 To provide 3 tenants in the block at 108-114 James Brown Avenue with priority for immediate re-housing, including statutory home loss and disturbance allowances, to achieve vacant possession of the block;
- 2.1.2 To demolish the Council owned block of flats at 108-114 James Brown Avenue, Ayr once vacant possession has been achieved;
- 2.1.3 To the development of 27 new affordable homes, via the Council's affordable housing contractor framework, on the site of the former Whitletts Primary School, Main Road, Ayr (shown on the plan in Appendix 1); and
- 2.1.4 That the 3 tenants relocated to support demolition of 108-114 James Brown Avenue be given the opportunity to receive an offer for a home of the appropriate size within the new development at a future date.

**3. Background**

- 3.1 The Leadership Panel of 17<sup>th</sup> January 2017 agreed to the transfer of the former Whitletts Primary School site from General Services to the Housing Revenue Account at a market value of £0.311m for the purposes of new Council housing.

- 3.2 Since then, site design and ground condition investigation works have been undertaken to allow proposals for a Council new build housing development to progress.
- 3.3 Due to the close proximity of the site to the traffic management system at Main Road/Low Road, vehicular access requires to be taken from the rear of the site at James Brown Avenue. This will require demolition of a Council owned four in a block style property. The block is in full Council ownership with three of the four tenancies currently occupied. Consultation has taken place with the 3 tenants, who are amenable to being relocated should they be given the opportunity to return following completion of the new build development. Tenants who are required to move home as a result of planned demolition are entitled to a statutory home-loss payment of £1,500 and the Council should meet reasonable relocation costs. Any home loss or disturbance payment would however first offset any arrears the tenants may owe to the Council.
- 3.4 To streamline the process of achieving planning permission for Council house developments, a joint design forum was held to facilitate open discussion between Planning and Housing teams to agree aspirations for the site. On the 16<sup>th</sup> March 2017 a design workshop took place, chaired independently by Architecture and Design Scotland. This was an extremely positive event which led to agreement of the type and scale of development for the Whitletts site, and the introduction of a wider Joint Processing Agreement between the two services. The Joint Processing Agreement sets out the Planning process to be undertaken for all new Council house developments and involves discussion between the services at an early point to agree design principles. The aim of the new agreement is to achieve planning consent through 'Permitted Development' for new Council house projects. This should facilitate a quicker and smoother route to achieving planning consent, and ultimately increase the supply of local affordable housing. Permitted Development Planning consent has now been awarded that would allow development to progress quickly after demolition of the flatted accommodation on site.

#### **4. Proposals**

- 4.1 It is proposed that the Council progresses with a development of 27 new Council houses on the former Whitletts Primary School site to increase the supply of warm, energy efficient, affordable housing in Ayr. To achieve this, it is proposed that the 3 tenants and their households currently residing in the block at 108-114 James Brown Avenue, be given priority for immediate re-housing. Furthermore, it is proposed that those 3 tenants be given an opportunity to receive an offer of a home of the appropriate size within the new development at a future date. Officers will work closely with the households to facilitate a smooth transition to their replacement homes.

- 4.2 Following vacant possession of the block at 108-114 James Brown Avenue, it is proposed that these flats be demolished to provide both a construction and permanent future access route to the site.
- 4.3 Thereafter, it is proposed that a contract be awarded through the Council's affordable housing contract framework for the development of 27 new Council houses with associated play and environmental improvements as detailed in Appendix 2. Based on waiting lists and demand for housing in North Ayr, the proposed development of 27 homes includes the following house mix:

House Size	House Type	Total Number of Homes
1 Bedroom	Cottage Flat	8
2 Bedroom	Semi Detached House	6
2 bedroom	Semi Detached Bungalow	6
3 Bedroom	Semi Detached House	2
3 Bedroom	Terrace Townhouse	4
5 Bedroom	End Terrace Townhouse	1
<b>Total</b>		<b>27</b>

- 4.4 As the proposal is included within the Council's Strategic Housing Investment Plan (SHIP), the Scottish Government has confirmed that affordable housing subsidy can be granted towards this project. Subsidy of £57,000 per unit, in line with Council new build developments, will be awarded to the Council.
- 4.5 This project, both in relation to site clearance and future development, will be reported to members for monitoring purposes via the quarterly Housing Capital Programme reports to Leadership Panel. Development on site is first dependent on vacant possession of the flats on James Brown Avenue. It is anticipated that this full proposal can be completed by September 2019, taking account of a need to find suitable accommodation for the tenants who require to be rehoused.

## 5. Legal and Procurement Implications

- 5.1 The recommendations within this report are consistent with Legal requirements.
- 5.2 Procurement input will be required for the award of demolition and construction contracts and this has been considered as part of the Procurement Team's workplan.

## 6. Financial Implications

- 6.1 The estimated capital cost of this proposal is £3,981,408. The costs are as follows:

<b>Item</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>Total</b>
Temporary shuttering of ground floor flats and subsequent demolition	£10,000	£40,000		£50,000
Design and Build 27 Council houses including fees, drainage, play facilities and environmental improvements		£1,231,408	£2,700,000	£3,931,408
<b>Total</b>	<b>£10,000</b>	<b>£1,271,408</b>	<b>£2,700,000</b>	<b>£3,981,408</b>

6.2 The estimated revenue expenditure for this project is £12,000 as outlined in 6.1. There will also be a reduction in income of £15,000 from the 4 resultant void properties and both of these will be met from HRA in year budget lines.

6.3 It is proposed that the capital project be funded as follows:

<b>Funding Source</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>Total</b>
Scottish Government Affordable Housing Subsidy (£57,000 per unit)		£1,539,000		£1,539,000
2 <sup>nd</sup> Homes Council Tax	£10,000	£390,000		£400,000
HRA Borrowing or in year CFCR underspend			£2,042,408	£2,042,408
<b>Total</b>	<b>£10,000</b>	<b>£1,929,000</b>	<b>£2,042,408</b>	<b>£3,981,408</b>

6.4 The rent charge for these properties would carry a 25% premium in comparison to mainstream housing stock in line with other Council new build developments and this is viable within the HRA Business Plan.

## **7. Human Resources Implications**

7.1 There are no human resource implications as a result of this report.

## **8. Risk**

### **8.1 *Risk Implications of Adopting the Recommendations***

- New risks have been identified and assessed in line with the Council's risk management process as follows: unforeseen or rising construction costs. These will be managed within existing operational activities and reference to the status of mitigations will be available through the Housing and Facilities SIP Risk Register.

### **8.2 *Risk Implications of Rejecting the Recommendations***

- Rejecting the recommendations may have financial implications and impact on the reputation of the Council by failing to increase the supply of affordable housing and make best use of available Scottish Government subsidy. This subsidy would be diverted to other Local Authorities if South Ayrshire cannot commit to delivery of sites within the SHIP.

## **9. Equalities**

- 9.1 An Equalities Impact Assessment (EQIA) has been carried out on the proposals contained in this report, which identifies potential positive and negative equality impacts and any required mitigating actions. The EQIA is attached as Appendix 3 to this report.

## **10. Sustainable Development Implications**

- 10.1 **Considering Strategic Environmental Assessment (SEA)** – The Scottish Government Gateway has been contacted regarding this plan, policy programme or strategy, and it has been determined that an SEA will not be pursued and the implications for the environment will not continue to be monitored. This is because the South Ayrshire Local Development Plan has been subject to, and guided by, a substantial SEA process at each stage of its development.

## **11. Options Appraisal**

- 11.1 An options appraisal has not been carried out in relation to the subject of this report.

## **12. Link to Council Plan**

- 12.1 The proposals contained within this report link to the Council Plan strategic priority to “Working in partnership to maximise the potential for our Environment” and the related objectives of ‘people are able to find a suitable and affordable place to stay in a community’ and “people live in warm, well maintained, energy efficient homes”.

### 13. Results of Consultation

- 13.1 (1) Consultation has taken place with the 3 affected tenants on James Brown Avenue and wider community feedback has sought new housing on this site. A community engagement event is planned for the Domain on 17<sup>th</sup> August to share our proposals with the wider community.
- (2) Extensive consultation has taken place with the Council's Planners and Legal Services in relation to this proposal.
- (3) Consultation has taken place with Councillor Philip Saxton, Portfolio Carrier for Housing and Customer Services and the contents of this report reflect any feedback provided.
- (4) Consultation has taken place with Councillor Peter Henderson, Portfolio Carrier for Resources and Performance and the contents of this report reflect any feedback provided.

### 14. Next Steps for Decision Tracking Purposes

- 14.1 If the recommendations above are approved by Members, the Head of Housing and Facilities will ensure that all necessary steps are taken to ensure full implementation of the decision within the following timescales, with the completion status reported to the Leadership Panel in the 'Council and Leadership Panel Decision Log' at each of its meetings until such time as the decision is fully implemented:

<b><i>Implementation</i></b>	<b><i>Due date</i></b>	<b><i>Managed by</i></b>
Include project within Housing Capital Programme and incorporate into Quarterly Housing Capital Reports for future tracking	30 <sup>th</sup> September 2017	David Burns, Head of Housing & Facilities

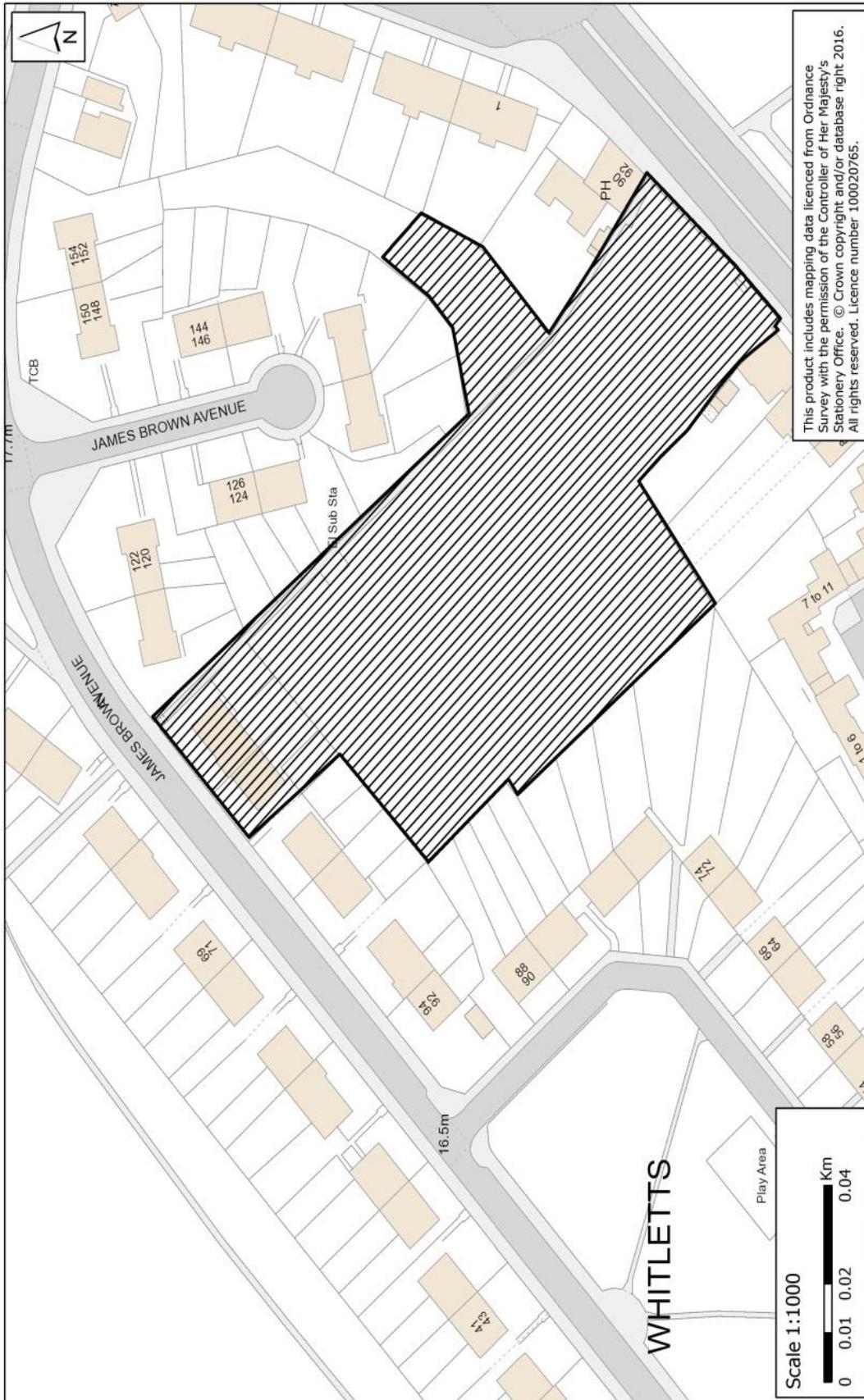
**Background Papers** [South Ayrshire Strategic Housing Investment Plan 2017-2022](#)  
[South Ayrshire Council Housing Need and Demand](#)  
[Assessment 2016 - 2020](#)

**Person to Contact** David Burns, Head of Housing and Facilities  
County Buildings  
Phone 01292 613079  
[David.burns@south-ayrshire.gov.uk](mailto:David.burns@south-ayrshire.gov.uk)

Donald Gillies, Head of Property & Risk  
County Buildings  
Phone 01292 612839  
[Donald.Gillies@south-ayrshire.gov.uk](mailto:Donald.Gillies@south-ayrshire.gov.uk)

**Date:** 28.07.2017

# Appendix 1 – Proposed Development Site







## **EQUALITY IMPACT ASSESSMENT**

### **Affordable Housing Site Acquisitions**

**July 2017**

**SOUTH AYRSHIRE COUNCIL  
EQUALITY AND DIVERSITY IMPACT ASSESSMENT**

## Section One: Project Details\*

Name of Project	Affordable Housing Site Whitletts
Lead Officer (Name/Position)	Heather Anderson Housing Policy and Strategy Manager
Project Development Team (Names/Positions)	Heather Anderson Housing Policy and Strategy Manager Laura Penman Housing Development Co-ordinator
Critical friend (s)	Chris Carroll (Housing Co-ordinator)

\*Policy could include strategy, project or application: see guidance attached.

What are the main <b>aims</b> of the strategy?	The aim of the project is to increase the number of affordable homes in South Ayrshire to address housing demand.
What are the intended <b>outcomes</b> of the strategy?	The intended outcomes of the project are that <ul style="list-style-type: none"> <li>• People will have more access to affordable housing in South Ayrshire in order to address housing need.</li> </ul>

## Section Two: What are the Likely Impacts of the Strategy?

Will the strategy impact upon the whole population of South Ayrshire <i>or</i> particular groups within the population (please specify)	The strategy will affect: <ul style="list-style-type: none"> <li>• People in housing need</li> </ul>
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Considering the following Protected Characteristics and themes, what likely impacts or issues does the strategy have for the group or community.

List any likely positive and/or negative impacts

Protected Characteristics	Positive and/or Negative Impacts
<b>Race</b> Issues relating to people of any racial group, ethnic or national origin, including gypsy travellers and migrant workers	<b>No specific impact</b> is anticipated as access to affordable housing will be based on housing need with no relevance to people's race.
<b>Sex</b> Issues specific to women or men	<b>No specific impact</b> is anticipated as access to affordable housing will be based on housing need with no relevance to people's sex.
<b>Disability</b> Issues relating to disabled people	It is anticipated that the project will have a <b>positive</b> impact on people with disabilities who are in housing need as the development will give regard to provision of amenity and ground level accommodation.

<p><b>Age</b> Issues relating to a particular age group e.g. older people or children and young people</p>	<p><b>No specific impact</b> is anticipated as access to affordable housing will be based on housing need.</p>
<p><b>Religion or Belief</b> issues relating to a person's religion or belief (including non-belief)</p>	<p><b>No specific impact</b> is anticipated as access to affordable housing will be based on housing need with no relevance to people's religion on beliefs.</p>
<p><b>Sexual Orientation</b> Issues relating to a person's sexual orientation i.e. lesbian, gay, bi-sexual, heterosexual</p>	<p><b>No specific impact</b> is anticipated as access to the affordable housing will be based on housing need with no relevance to people's sexual orientation.</p>
<p><b>Marriage and Civil Partnership:</b> Issues relating to people who are married or are in a civil partnership.</p>	<p><b>No specific impact</b> is anticipated as access to affordable housing will be based on housing need with no relevance to people's marital or civil partnership status.</p>
<p><b>Gender Reassignment</b> Issues relating to people, who have proposed, started or completed a process to change his or her sex.</p>	<p><b>No specific impact</b> is anticipated as access to affordable housing will be based on housing need with no relevance to people's gender.</p>
<p><b>Pregnancy and Maternity</b> Issues relating to the condition of being pregnant or expecting a baby and the period after the birth.</p>	<p><b>No specific impact</b> is anticipated as affordable housing will be allocated on the basis of housing need with no relevance as to whether an applicant is pregnant or not.</p>
<p><b>Multiple / Cross Cutting Equality Issues</b> Issues relating to multiple protected characteristics.</p>	<p>It is anticipated that this project will have a <b>positive</b> impact in relation to the following cross-cutting issue.</p> <ul style="list-style-type: none"> <li>+ Improved affordable housing options for people in housing need and those with disabilities, mobility issues and older people.</li> </ul>

<b>Equality and Diversity Themes Particularly Relevant to South Ayrshire Council</b>	
<p><b>Health</b> Issues and impacts affecting people's health</p>	<p>Affordable housing may also impact <b>positively</b> on health of people in housing need and those with disability and mobility issues.</p>
<p><b>Human Rights:</b> Issues and impacts affecting people's human rights such as being treated with dignity and respect, the right to education, the right to respect for private and family life, and the right to free elections.</p>	<p>The development may impact <b>positively</b> on human rights issues of people in housing need and those with mobility issues and disabilities by increasing the potential to access affordable housing.</p>
<p><b>Rurality</b> Impacts relating to living and working in a rural community</p>	<p><b>No specific impacts</b> are anticipated in relation to this</p>

	site development in terms of rurality.
<b>Deprivation</b> Issues relating to poverty and social exclusion, and the disadvantage that results from it.	Site development may impact <b>positively</b> on issues relating to poverty by increasing the availability of affordable housing for rent.

### Section Three: Evidence Used in Developing the Strategy

<b>Involvement and Consultation</b> In assessing the impact(s) set out above what evidence has been collected from involvement, engagement or consultation? <b>Who</b> did you involve, <b>when</b> and <b>how</b> ?	<ul style="list-style-type: none"> <li>• South Ayrshire Housing Need and Demand Assessment and Local Housing Strategy focus and steering group.</li> <li>• Local Housing Strategy community consultation events where a variety of information and discussion sessions were carried out throughout the community.</li> </ul>
<b>Data and Research</b> In assessing the impact set out above what evidence has been collected from research or other data. Please specify <i>what</i> research was carried out or data collected, <i>when</i> and <i>how</i> this was done.	The need for more affordable housing is clearly demonstrated through the Council's Housing Need and Demand Assessment (2015) and in the South Ayrshire Local Housing Strategy (2011-2016) and (2017- 2022 Final Consultative Draft).
<b>Partners data and research</b> In assessing the impact set out above what evidence has been provided by partners. Please specify partners	Housing Market information and income information provided by the Scottish Government to support the development of the South Ayrshire Housing Need and Demand Assessment
<b>Gaps and Uncertainties</b> Have you identified any gaps or uncertainties in your understanding of the issues or impacts that need to be explored further?	No gaps identified in relation to this project.

### Section Four: Detailed Action Plan to address identified gaps in: a) evidence and

**b) to mitigate negative impacts**

No	Action	Lead Officer(s)	Timescale

**Section Five - Performance monitoring and reporting**

Considering the strategy as a whole, including its equality and diversity implications:

When is the projected intended to come into effect?	31 <sup>st</sup> September 2017
When will the project be reviewed?	31st January 2018
Which Scrutiny Panel will have oversight of the strategy?	Leadership Panel

Section 6

South Ayrshire Council

## Summary Equality Impact Assessment Implications & Mitigating Actions

**Name of Strategy:** South Ayrshire Adult Learning Disability Strategy

This strategy will assist or inhibit the Council's ability to eliminate discrimination; advance equality of opportunity; and foster good relations as follows:

**Eliminate discrimination**

Site development will help to eliminate discrimination against people in housing need by increasing the availability of suitable and affordable housing including accommodation suitable for people with disabilities.

**Advance equality of opportunity**

The project will also help to advance equality of opportunity by increasing housing options for local people in housing need.

**Foster good relations**

The project will help to foster more supportive relations between the Council and local people in housing need.

**Summary of Action Plan to Mitigate Negative/ Enhance Positive Impacts**

**Actions**

**Timescale**

**January  
2018**

**Signed: David Burns Head of Service**

**Date: 20.07.2017**