

To: Housing and Community Safety Policy Board

On: 14 March 2017

Report by: Director of Development and Housing Services

Heading: Orchard Street Housing Renewal Area Designation Order 2017

1. Summary

- 1.1 A draft Orchard Street Housing Renewal Area (HRA) Designation Order was approved for consultation by the Housing and Community Safety Policy Board on 8th November 2016. The Order covered the tenements and communal areas at 33 Causeyside Street and nos. 3,5,7 and 9 Orchard Street.
 - 1.2 Taking into account feedback received, the Director of Development and Housing Services now wishes to formally implement a finalised Orchard Street Housing Renewal Area Designation Order and Action Plan which is attached for approval. (appendix 1)
 - 1.3 The HRA designation will allow for the comprehensive improvement in the condition and quality of housing and communal areas in the locality through a partnership project involving Renfrewshire Council and Paisley Housing Association, supported by grant funding from the Scottish Government's Affordable Housing Supply Programme.
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2. Recommendations

- 2.1 It is recommended that the Policy Board:
 - (i) notes the consultation activity and feedback received on the Orchard Street Draft Designation Order as detailed in section 4 of this report;
 - (ii) authorises the Director of Development and Housing Services to make a Housing Renewal Area Designation Order and Action Plan covering 33 Causeyside Street, 3,5,7 and 9 Orchard Street in the terms attached at appendix 1;

- (iii) notes that grants to participating owners will be offered in line with the Council's Scheme of Assistance as set out in section 4.6 of this report;
 - (iv) notes the estimated private sector housing grant required to support owners participating in the scheme and to support environmental work as set out in section 5 of this report; and
 - (v) agrees that in circumstances where owners retain ownership of their property and do not voluntarily agree to fund their share of the common works or necessary repairs to their flat, the Council will enforce necessary works, by carrying out that work and putting in place measures to recover the cost of the same.
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3. Background

- 3.1 Under the terms of the Housing (Scotland) Act 2006 Renfrewshire Council has powers to deal with poor quality housing and can designate a Housing Renewal Area (HRA) where a significant number of houses in a locality are sub-standard, or the appearance or state of repair of any houses in the locality is adversely affecting the amenity of the area.
- 3.2 The five tenement blocks at 33 Causeyside Street, 3, 5, 7 and 9 Orchard Street have been identified as a priority for improvement for a number of years due to their particularly poor condition. Previous plans for a comprehensive tenement improvement scheme were not able to progress due to changes in the grant framework for affordable housing projects in 2011/12. The improvement of these blocks has remained a priority and is highlighted in Renfrewshire's Local Housing Strategy 2016 – 2021 and the Strategic Housing Investment Plan 2017/18-2021/22.

4. Consultation and Feedback

- 4.1 The draft Orchard Street Housing Renewal Area Designation Order was approved for consultation by the Housing and Community Safety Policy Board on 8 November 2016. The Order included an Action Plan setting out the work required, details of how the action plan will be delivered and the grant assistance available to owners under the Council's Scheme of Assistance (which is: resident owners on certain benefits- 50%; resident owners – 35% and non resident owners- 25% (includes commercial owners)).
- 4.2 The following consultation activities were undertaken:
 - Letter to all owners and residents with a copy of the Draft Designation Order and action plan
 - Drop-in consultation session for affected owners and residents to discuss proposals and elicit feedback

- Notice in two local newspapers summarising plans and where to get further information
- Article on Renfrewshire Council website
- Survey monkey questionnaire on Renfrewshire Council website
- Further letter to all owners with an information leaflet and paper questionnaire
- Individual discussion via house/office visits, telephone calls and emails with affected owners and residents.

4.3 The ownership pattern is complex and includes non-resident landlords, resident owners and commercial owners. Contact has been made with owners of nearly 90% of all the affected properties and views discussed. In addition, 25 completed formal consultation questionnaires have been received (from owners, tenants and the factor of 33 Causeyside Street and 3 Orchard Street).

4.4 A summary of expressed views is noted below:

- Overwhelming agreement from owners, residents and the property factor that the elements of the communal areas including roofs and backcourts are in poor condition and improvements are needed.
- The vast majority of respondents agreed that there is a need for the Council to take action to address the poor quality housing issues.
- A few owners noted they had tried to secure improvements but expressed frustration that they had been unable to get agreement from all the other owners to contribute to the cost of communal works and works therefore had not been undertaken.
- A few owners noted they had themselves tried to deal with repair and condition issues within their own flats e.g. tackle dry rot, patch leaking ceilings, etc. However for many of these issues, it would not be possible to fully address the root cause of these problems on an individual flat basis.
- Some owners highlighted that they had undertaken internal improvements to their flat such as installing double glazing or a new kitchen and therefore thought that the extent of internal flat work listed on the Action Plan was somewhat excessive.
- The Action Plan sets out how the project would be delivered and notes that Paisley Housing Association would seek to acquire the majority of properties through voluntary acquisition. While the majority of owners at this point indicated their preference would be to sell to Paisley Housing Association, many also indicated that their willingness to sell would depend on the price offered.

- A number of owners expressed concern at the estimated high cost of works and what they saw as a low level of grant assistance available to them from the Council should they participate in the scheme.
- 4.4 Overall, responses confirmed agreement on the need for improvement action to address the poor quality housing and amenity of the area in a co-ordinated and comprehensive way. It is therefore proposed to implement a final Orchard Street Housing Renewal Area Designation Order. (attached as Appendix 1)
- 4.5 The draft Order has been amended slightly to take account of feedback in relation to circumstances where owners have previously carried out internal improvements and now includes a statement that the Association will be happy to enter into discussions with individual owners where they may have a desire to retain existing components and fittings. It does also note however that such arrangements may add to the overall cost of the proposed work and may, in some circumstances not be a practical proposition.
- 4.6 Given the financial pressures on Private Sector Housing Grant, the level of grant payable to owners will remain as set out in the Scheme of Assistance: resident owners on certain benefits- 50%; resident owners – 35% and non resident owners 25% (includes commercial owners).

5 Funding

- 5.1 It is anticipated that Paisley Housing Association will seek to acquire the majority of properties within the HRA for comprehensive tenement improvement. Improvement costs for properties acquired by Paisley Housing Association would be funded partly by grant funding from the Scottish Government's affordable housing programme and partly by the housing association through private borrowing.
- 5.2 Renfrewshire's Strategic Housing Investment Plan (SHIP) 2017/18 – 2021/22, includes provision for Scottish Government grant funding for this project of some £4.4 million.
- 5.3 A provisional estimate of £700,000 was included in the Private Sector Housing Investment Programme 2015 to 2018 reported to the Housing and Community Safety Board on 10 March 2015, to meet the costs of grants to residential and commercial owners and general common environmental works.
- 5.4 A recent review of possible grant requirements, based on more recent cost information and following engagement with owners, suggests that this remains a reasonable estimate. However, the actual requirement for grants to owners will become clearer over the next two years as Paisley Housing Association starts to conclude negotiations with owners. It should also be noted that provisional grant estimates are based on late 2015 costs. As work will not start on site for several years, inflationary pressures may push up works costs and subsequently grant requirements.

- 5.5 The allowances for grant support will be monitored and requirements reported to future Board meetings. The project will require grant support over several years and there will need to be sufficient flexibility in the funding programme to achieve this.
- 5.5 Some owners may choose to retain ownership of their property and may not voluntarily agree to fund their share of the common works and/or necessary repairs to their flat. In such circumstances and to ensure that the appropriate improvement works can be completed, the Council will utilise its powers under the terms of the Housing (Scotland) Act 2006 to enforce necessary repair and improvement works, by carrying out such work as is required and subsequently using all available mechanisms to pursue owners for recovery of their share of costs.

6 Next Steps

- 6.1 Following Board approval, owners and residents will be issued with the final Orchard Street Housing Renewal Area Designation Order. Paisley Housing Association will then commence negotiations with owners over acquisition of properties or participation in the project.
- 6.2 It is estimated that work will begin on site in 2019/20 and will be completed in late 2021.

Implications of the Report

- 1 Financial** – A provisional allowance of £700,000 was included in the Private Sector Housing Investment Programme 2015 to 2018 to support owner participation and environmental work. The Council may incur costs in relation to work carried out on behalf of owners who do not voluntarily agree to participate in the scheme, using all available mechanisms to recover these costs.
- 2 HR & Organisational Development** - None
- 3 Community Planning:**
Community Care, Health & Well-being – Housing contribution to improving health and well-being
Safer and Stronger – Increasing resident satisfaction with neighbourhoods and communities
- 4 Legal** –The designation of the Housing Renewal Area will need to meet the requirements of the Housing (Scotland) Act 2006. There may be a requirement to issue Works Notices as provided for under the same Act.
- 5 Property/Assets** – None
- 6 Information Technology** – None

7 Equality & Human Rights –

- (a) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report in that compulsory purchase will not breach the ECHR where it is authorised by law, is proportionate and where it can be demonstrated to be in the public interest. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

8. Health & Safety – None

9. Procurement – None

10. **Risks** – There is a risk the project may not be able to progress if there is not sufficient co-operation from owners.

There is a risk that the Council may not be able to fully recover all the costs from owners where work has been carried out on their behalf, but all available mechanisms will be used to minimise any loss to the Council.

11. Privacy Impact – None

List of Background Papers

- (a) Report to Housing and Community Safety Board, 8 November 2016, "Orchard Street Housing Renewal Area Draft Designation Order 2016"
- (b) Report to Housing and Community Safety Board, 10 March 2015, "Private Sector Housing Investment Programme 2015 to 2018"

The foregoing background papers will be retained within Development & Housing Services for inspection by the public for the prescribed period of four years from the date of the meeting.

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7 March 2017

HOUSING (SCOTLAND) ACT 2006

The Orchard Street Housing Renewal Area

Designation Order 2017

Renfrewshire Council make the following order in exercise of the powers conferred by section 1 of the Housing (Scotland) Act 2006.

This order may be cited as the Orchard Street Housing Renewal Area (HRA) Order.

The locality delineated in the map in schedule 1 is designated as the Orchard Street Housing Renewal Area.

The reason for the designation is that:

- A significant number of the houses in the locality identified in the map in schedule 1 are sub-standard; and
- The appearance or state of repair of houses adversely affect the amenity of the locality identified in the HRA.

A Housing Renewal Area Action Plan is included in schedule 2 to this order.

Executed on behalf of Renfrewshire Council at Paisley, on (*insert date*)

INSERT SIGNATURE

Schedule 2

Orchard Street Housing Renewal Area - Action Plan

The following houses within the Orchard Street Housing Renewal Area (HRA) are considered to be sub-standard and that their appearance or state of repair is adversely affecting the amenity of the locality:

33 Causeyside Street (shop G/F left, pub G/F right, 1/1,1/2,1/3, 1/4,2/1,2/2,2/3,2/4,3/1,3/2,3/3,3/4 and all their common parts)

3 Orchard Street (pub GF left, shop G/F right, 1/1, 1/2, 1/3, 2/1, 2/2, 2/3, 3/1, 3/2, 3/3 and all their common parts)

5 Orchard Street (shop G/F left, shop G/F middle,0/2,1/1,1/2,1/3, 2/1,2/2,2/3,3/1,3/2,3/3 and all their common parts)

7 Orchard Street (shop G/F mid, 0/1, 0/2, 1/1, 1/2, 1/3, 2/1, 2/2,3/1,3/2,3/3 and all their common parts)

9 Orchard Street (shop G/F mid, 0/1, 0/2, 1/1,1/2,1/3 ,2/1,2/2,2/3,3/1,3/2,3/3 and all their common parts)

These houses are required to have work carried out in or in relation to them for the purposes of bringing them into, and keeping them in, a reasonable state of repair and for the purposes of enhancing the amenity of the HRA.

Renfrewshire Council intends to implement this Action Plan within a 5 year period.

Property/Areas Which Requires Works

The work specified in this Housing Renewal Area Action Plan to the houses listed and their associated common areas is intended to comprehensively improve the houses to achieve a habitable standard and extension to the life of these properties of 30+ years and will:

- Improve the safety or security of the houses and persons living there;
- Reduce the long-term burden and costs to property owners of maintaining the properties and their common parts, in future years; and
- Enhance the amenity of the common backcourt areas and of the area in general.

Work Required	Address of property	Standard Required
<p>Environmental Works:</p> <ul style="list-style-type: none"> • Clear out and remove overgrown vegetation to upgrade common backcourt areas, including boundary walls and fences. The formation of useable bin storage and refuse collection arrangements, in the interests of Public Health and new clothes drying provision, new paths, turf and shrub beds. • Repair/renew front footpath as required 	<p>All properties included within the proposed designated HRA: 33 Causeyside Street 3, 5, 7 and 9 Orchard Street</p>	<p>All work within the Orchard Street Housing Renewal will be carried out to a suitable standard to meet current Building Regulations (2015) and will ensure all houses will meet the Tolerable Standard, as well as enabling the properties to be maintained to a good standard of repair, in the longer term, at reasonable cost, via a traditional factoring regime</p>
<p>Common Property Repair and Improvement Works to be carried out as necessary including:</p> <ul style="list-style-type: none"> • Renew / replace all defective roof coverings and rainwater goods with sarking and rafter repairs and replace all associated flashings and trims. • Structural repairs as required including rebuilding Crow-stepped gable at 33 Causeyside Street. • Undertake all necessary structural repairs as necessary to maintain the structural integrity of the properties. • Renew all external / internal and below ground soil, waste and rainwater stacks, with suitable runs and falls, proper fixings and means of inspection. • Repairs and re-building to stabilise main chimney heads/ removal of all minor chimneys. • Remove all lead water supply pipework and install new water mains serving all flats direct (complete with double check valve protection). • Remove all common water storage tanks to address the potential for legionella. 	<p>All common properties: 33 Causeyside Street 3, 5, 7 and 9 Orchard Street</p>	

<ul style="list-style-type: none"> • Repairs/Improvements to common closes (including repairs to / renewal of treads, landings, handrails and balustrades, close floors, close wall finishes, close ceilings and soffit finishes and common stores, as well as provision of new and improved close lighting, windows, front and rear doors and door entry control system. • Install new mains electricity supply. • Install new gas mains pipework to all flats • New telecoms installation with wired broadband capacity • New common digital television system • Check all timbers for decay and repair/renew and undertake precautionary timber treatment works, as required. • Clean/repair/repoint all stonework, incorporating lead flashings, as required. • Install Damp proof course to specialist requirements. • Carefully take down and re-build defective oriel window stacks (2 no.) and associated front elevation stonework 	<p>Nos 5 and 7 Orchard Street</p>	
<p>Flat Repairs/improvements:</p> <ul style="list-style-type: none"> • Eradicate/treat all Timber Decay, Woodworm and Dampness • Renew all windows. • Renew all kitchen fitments and bathroom sanitaryware. • Renew all skirtings, facings, door frames etc • Renew existing electrical system. • Install “hard wired” smoke / heat / carbon monoxide detection to all flats • Install central heating/hot water served from new Condensing Combi boiler. 	<p>Flats: Causeyside Street :</p> <p>33 1/1,1/2,1/3,1/4,2/1, 2/2,2/3,2/4,3/1,3/2,3/3, 3/4</p> <p>Orchard Street: 3 1/1,1/2,1/3,2/1,2/2,2/3, 3/1,3/2,3/3.</p> <p>5 0/2,1/1,1/2,1/3,2/1,2/2, 2/3,3/1,3/2,3/3</p> <p>7 0/1,0/2,1/1,1/2,1/3,2/1, 2/2,3/1,3/2,3/3</p>	

<ul style="list-style-type: none"> • Provide mechanical ventilation to all kitchens and bathrooms. • Improve thermal performance, sound insulation, fire resistance, means of escape and provide enhanced safety and security features. 	<p>9 0/1,0/2,1/1,1/2,1/3,2/1,2/2,2/3,3/1,3/2,3/3</p>	
<p>Commercial Premises</p> <ul style="list-style-type: none"> • Eradicate/treat all Timber Decay, Woodworm and Dampness. • Renew existing electrical and water supplies. 	<p>G/F shop and pub at 33 Causeyside Street</p> <p>G/F shop and pub, 3 Orchard Street</p> <p>G/F shops, 5 Orchard Street</p> <p>G/F shop 7 Orchard Street</p> <p>G/F shop 9 Orchard Street</p>	

How this Action Plan will be Delivered

This action plan describes the work required to deal with the sub-standard housing and amenity of the area.

To tackle the very poor condition of the buildings, to prevent further deterioration and to ensure that they are safe, secure and can be maintained in the future, it is considered necessary that a full comprehensive tenement improvement refurbishment is the only viable solution.

The estimated costs associated with promoting the necessary repairs and improvement works are, however, significant.

Renfrewshire Council has worked in partnership with Paisley Housing Association and the Scottish Government to secure a funding package that would allow a scheme to progress. Paisley Housing Association would seek to secure ownership of the properties through voluntary acquisition. Paisley Housing Association would commission an independent valuation of properties and offer owners the current market value based on this valuation.

Paisley Housing Association would organise and oversee works to the buildings and common areas.

Paisley Housing Association would retain ownership of acquired houses and on completion of works the houses would be let as social housing. In order to secure future maintenance to common areas, the Council would encourage owners to appoint a factor. Paisley Housing Association is currently willing to act as factor.

Paisley Housing Association and Renfrewshire Council will provide advice and guidance to owners of properties identified in this HRA Action Plan.

Renfrewshire Council and Paisley Housing Association will endeavour to help where possible any resident permanently displaced from their living accommodation as a result of the implementation of this action plan to secure alternative accommodation.

Where an owner decides not to sell to Paisley Housing Association they may decide to participate in the scheme and will therefore be liable for their share of the total cost of works.

In these circumstances, the Council may be prepared to offer grant assistance to owners who wish to participate in the scheme and who enter into a binding Minute of Agreement and mandate for the payment of grant with Paisley Housing Association, acting as agents of the Council. The Council's Scheme of Assistance (as provided in line with the Housing (Scotland) Act 2006) sets out the range of support the Council will provide for private sector owners to help them improve their properties. Grants are available to owners in mixed-tenure flatted blocks at the following levels:

- Resident owners on income support or other similar benefits - 50%
- Resident owners - 35%
- Non-resident owners - 25%

As non –resident owners, owners of commercial properties will be entitled to grant of 25%.

The Association will enter into discussions with individual owners where they may have a desire to retain existing components and fittings, but it should be recognised that such arrangements may add to the overall cost of the proposed work and may, in some circumstance not be a practical proposition.

Where an owner does not voluntarily participate in the scheme as outlined, the Council will utilise its powers under the terms of the Housing (Scotland) Act 2006 to enforce repair and improvement works to bring the property up to a reasonable standard and subsequently pursue these owners for recovery of their share of costs. For further information, please contact:

Renfrewshire Council
Development and Housing Services
Cotton Street, Paisley PA1 1JD
Email: strategyandplace@renfrewshire.gov.uk
Telephone: 0141 618 6148

Background

A significant number of the houses internally and all aspects of the common parts of these properties, at the addresses identified above are sub-standard and have also been identified as affecting the amenity of the area. Evidence for this comes from a number of sources including; information from a study undertaken by ODS consultants in 2001; a feasibility study carried out by Assist Design, Allied Surveyors and the Structural partnership in 2007 and an update to that study undertaken in 2014/15; inspection by Renfrewshire Council of various flats, closes and communal areas; and information from Ross and Liddell factors concerning the roof at no. 3 Orchard Street.

The following issues have been highlighted:

Communal and Flat issues

The common parts of the building listed are in serious disrepair and require urgent action, in terms of both repair and improvement.

- None of the buildings meet current Building Standards in terms of access, safety, thermal performance, fire separation or fire detection.
- The common elements of all properties are in poor condition and internally, a significant number of properties either fail the Tolerable Standard as set out in the Housing (Scotland) Act 1987 or, where the tolerable standard is achieved, certain aspects of the work associated with achieving the standard, fall short of acceptable construction standards.
- Significant building defects exist at Nos. 5 and 7 Orchard Street and 33 Causeyside Street.
- At No.7 Orchard St (right hand side), the stone panel below the oriel has bulged with what appears to be the outer stone leaf separating from the main wall construction. The panel is currently shored and is stable. However as part of the works it will be necessary to dismantle the oriel and part of the front elevation to rebuild the area affected by the bulge. A similar defect is evident at No. 5 Orchard Street (right hand side).
- At 33 Causeyside Street the corner of the property is splayed and was originally constructed with a crow stepped edge that extended above the eaves line of the property. This has been removed due to past storm damage. As part of the works it will be necessary for this part of the elevation to be rebuilt.
- 5 Orchard Street has significant cracks at first floor landing and wall and the rear close floor is cracked and broken indicating the sub-base has washed away.
- Defective roof covering at No. 3 and no.7 Orchard Street
- Dry rot has been identified within the common close and 3 individual flats at 7 Orchard Street and Renfrewshire Council has served a Defective Buildings

Notice for this. It has also been identified at the top landing close ceiling wall and wall at no. 5 Orchard St. Given the general standard of the building fabric, it is anticipated that other instances of timber decay will be present elsewhere within these properties.

Amenity Issues

- The backcourt configuration is currently unattractive in use and provides no amenity at all. They do not provide adequate clothes drying or refuse storage facilities. This latter aspect is relevant in terms of public health.
- The backcourts are currently not being maintained and are seriously overgrown, which is negatively impacting on the appearance of the overall area.
- The grassed area is extremely overgrown and there is a problem with fly tipping.
- The paths and walls are in poor condition.
- Renfrewshire Council has served Dangerous Building Notices on two washhouses in the rear common area of no. 7 and 9. Orchard Street.

Assist Design Architects have drawn up plans for a reconfigured back court area.

Front footpaths will require to be renewed/repared as required.

In addition it is considered that the houses listed adversely affect the amenity of the locality, as well as that of the surrounding Paisley Town Centre Conservation Area which has seen recent substantial public investment to improve the condition and appearance of a number of surrounding buildings.