

REPORT TO: NEIGHBOURHOOD SERVICES COMMITTEE – 11 SEPTEMBER 2017

REPORT ON: LAST IN BLOCK SALES

REPORT BY: EXECUTIVE DIRECTOR OF NEIGHBOURHOOD SERVICES

REPORT NO: 248-2017

1 PURPOSE OF REPORT

- 1.1 To appraise committee of the ongoing operation of the Last in Block Sales Policy introduced in 2007 and its impact to date.

2 RECOMMENDATION

- 2.1 It is recommended that the Last in Block Sales Policy is continued to recycle capital receipts to provide wheelchair housing to meet identified housing need within the City.
- 2.2 It is recommended that the Policy is amended to exclude ground floor level access properties to meet needs on the waiting list.
- 2.3 It is also recommended that Elected Members will be notified of sales of last in block properties when these become available within their wards..

3 FINANCIAL IMPLICATIONS

- 3.1 The policy has provided income of £6.200 million since 2007 which has been used to provide modern, energy efficient wheelchair housing to meet rising housing needs for this type of accommodation.
- 3.2 The continuation of the policy has the potential to preserve up to £1.000 million per year within the HRA Capital Programme to be directed towards the provision of new build fully adapted wheelchair housing. It should be noted that due to the ending of the Right to Buy that there will be a loss in capital receipts of around £2.000 million each year to financing the HRA Capital Plan.

4 BACKGROUND

- 4.1 The need to provide more fully adapted wheelchair housing to meet housing needs was highlighted in 2007, Committee Report 624-2007 Options to Increase the Supply of Accessible Council Housing refers. In order to fund a new build programme targeted at increasing the provision of fully adapted wheelchair housing the report approved the introduction of the last in block sales policy.
- 4.2 At that time there were 313 Council owned blocks where there was only one Council house (last in block property) left and it was anticipated that there would around 10 sales per year. When these properties are sold they are sold at full market value which maximises the capital receipt to the Council. When the last property is sold within a block the Council ceases to have factoring responsibilities and therefore the Council no longer has repairs and maintenance responsibilities.
- 4.3 The policy has realised sales of between 9 and 13 per year at a value of £654,000 to £1.033 million. There are now 310 Council houses which are the last in the block and there is still the potential to achieve the benefits of the policy in terms of re-cycling capital income to provide fully adapted wheelchair housing.
- 4.4 In terms of the need for fully adapted wheelchair housing in 2007 there were 56 applicants requiring fully adapted wheelchair housing. Since then the Council has completed 44 new wheelchair houses within the Council's new build programme with a further 4 due for

completion at Alexander Street and 14 wheelchair properties planned at Derby Street. There have been a further 30 wheelchair houses provided by Registered Social Landlords. There are currently 96 applicants on the waiting list for wheelchair accommodation.

All new build housing is built to Housing for Varying Needs standards in order to as wide a range of needs as possible.

5 POLICY IMPLICATIONS

- 5.1 This Report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management.

There are no major issues.

6 CONSULTATIONS

- 6.1 The Council Management Team were consulted in the preparation of this report.

7 BACKGROUND PAPERS

- 7.1 None.

Elaine Zwirlein
Executive Director of Neighbourhood Services

David Simpson
Head of Housing & Communities

DS/EH

14 August 2017

REPORT TO: NEIGHBOURHOOD SERVICES COMMITTEE – 11 SEPTEMBER 2017

REPORT ON: HILLTOWN REGENERATION – REDEVELOPMENT OF DERBY STREET

REPORT BY: CHIEF EXECUTIVE

REPORT NO: 250-2016

1 PURPOSE OF REPORT

- 1.1 The report describes the procurement and tendering process used for the new build affordable housing development at Derby Street, Hilltown and seeks approval of the price and allowances.

2 RECOMMENDATION

- 2.1 It is recommended that the Committee approves the acceptance of the tender price submitted by Wilmott Dixon Construction Limited in the amount, including fees and allowances, of £26,182,316.55.

3 FINANCIAL IMPLICATIONS

- 3.1 The Executive Director of Corporate Services advises that the total cost of £26.182m can be met from the allowances for Increased Supply of Council Housing that are included within the latest estimates for the Housing HRA Capital Plan 2017-22. The overall cost will be offset by Scottish Government Affordable Housing Grant, which is also assumed in the above estimates. There is commitment within the Fleming Trust's budgeted resources for the necessary funding for the Fleming Trust units. Hillcrest Housing Association Ltd has approved the necessary capital plan provision along with Scottish Government Affordable Housing Grant.

4 BACKGROUND

- 4.1 Reference is made to the Housing Committee Report 16-2016, Article III, when Committee agreed to procure the construction of the new build affordable housing at Derby Street from Wilmott Dixon Construction Limited under the SCAPE Framework with the performance obligations of the contract sub-contracted to Robertson Construction Group Ltd. Report 118-2017 approved the Council entering into a Delivery Agreement with Willmott Dixon.
- 4.2 The site has capacity for 163 units and the new build housing will be provided by Dundee City Council (Phase 1, comprising 83 units) and Hillcrest Housing Association Ltd (Phase 2, comprising 80 units).
- 4.3 Using the SCAPE Framework, the specification and design for the new housing development was produced by Dundee City Council and Hillcrest Housing Association Limited along with Collective Architecture and the tender price built up using open book tendering for all work packages, with fixed management fees, overheads and profit for the lead contractor. An independent benchmarking exercise has been carried out by Langmuir and Hay, Construction Consultants, which confirms the tender price represents value for money.
- 4.4 Given the operation of the SCAPE Framework it has been determined, given the Council is the first party to commence the development with Phase 1, that the Council should be the lead developer. Committee approval is sought to remit the Head of Democratic and Legal Services to enter into a suitable Development Agreement with Hillcrest Housing Association Limited in order to deliver the necessary Legal and Financial arrangements to protect the Council's position.

- 4.5 The works comprise the construction of 163 new build affordable properties designed to Housing for Varying Needs standards and associated works. The table below contains the proposed housing mix.

Property Type and Size	Total Number of Units	Hillcrest Housing Association	Dundee City Council Units
One bedroom general needs flats	11	4	7
Two bedroom general needs flats	74	54	20
One bedroom wheelchair flats	5	0	5
One bedroom community care flats	8	0	8
One bedroom cottage flats	5	2	3
Two bedroom wheelchair flats	4	0	4
Two bedroom community care flats	10	0	10
Two bedroom cottage flats	6	2	4
Three bedroom wheelchair bungalows	2	0	2
Four bedroom wheelchair	3	0	3
Two bedroom general needs houses	8	3	5
Three bedroom general needs houses	10	10	0
Four bedroom general needs townhouses	17	5	12
Total	163	80	83

- 4.6 The Fleming Trust is implementing a new build programme of £2 million (Committee Report 306-2015, Article II(b), City Council as Fleming Trustees 14 September 2015 refers). On completion of the development properties it is proposed a specific part of the development including land and properties to the value of £2 million will be transferred to the Fleming Trust.
- 4.7 Dundee City Council's Community Benefits Through Procurement Policy seeks to maximise economic and social benefits from Council Procurement within the current legal framework through the provision of Community Benefits on all applicable contracts. The SCAPE Framework also requires Community Benefits to be realised. This contract is substantial and will produce Community Benefit concomitant with a tender of this value. Contractors and sub-contractors must pay the Living Wage.

Community Benefits	Minimum for the Project
School / college and university site visits (number of students)	945 students
School / college workshops (number of students)	630 students
University research project	37
Work experience under 18 (weeks)	116 weeks
Work experience over 18 (weeks)	116 weeks

Apprentices (existing)	420 weeks
Apprentices – project initiated (weeks)	210 weeks
NVQ qualification (numbers)	58
Short courses	1365

Monitoring of the Community Benefit commitments and targets will be carried out by with the lead contractor by Dundee City Council's Community Benefits Officer and will be reported on a regular basis.

4.8 The total projected costs for the new build housing are made up as follows:

	Dundee City Council £	Hillcrest HA Ltd £	Total Cost £
Substructure	986,401.85	929,786.16	1,916,188.00
Superstructure	4,317,879.40	4,070,049.64	8,387,929.04
Internal finishes	617,734.72	582,279.12	1,200,013.84
Fittings and equipment	223,105.55	199,844.09	422,949.64
Services	1,544,583.01	1,121,229.05	2,665,812.06
Demolition (Butterburn Square)	284,509.44	Nil	284,509.44
External works	3,490,820.45	3,388,253.58	6,879,074.67
Main contractor's preliminaries	1,507,520.41	1,421,589.68	2,929,110.09
Project, design team fees	487,115.86	460,094.22	976,105.57
Other development, project costs	215,964.28	203,568.76	419,533.04
Scape fee	68,476.67	61,509.98	129,986.65
Totals	13,744,111.96	12,438,204.59	26,182,316.55

5 POLICY IMPLICATIONS

5.1 This Report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management.

There are no major issues.

6 CONSULTATIONS

6.1 The Council Management Team were consulted in the preparation of this report.

7 BACKGROUND PAPERS

7.1 None.

David Martin
Chief Executive

31 August 2017

REPORT TO: NEIGHBOURHOOD SERVICES COMMITTEE - 11 SEPTEMBER 2017

REPORT ON: ENERGY EFFICIENCY STANDARD FOR SOCIAL HOUSING (EESH) / EXTERNAL WALL INSULATION (EWI) UPDATE

REPORT BY: EXECUTIVE DIRECTOR OF NEIGHBOURHOOD SERVICES

REPORT NO. 277-2017

1. PURPOSE OF REPORT

The purpose of this report is to update members on progress towards meeting the EESH Standard to the end of March 2017 .The Standard aims to encourage landlords to improve the energy efficiency of their stock supporting the Scottish Governments vision of warm, high quality, affordable, low carbon homes for all.

2. RECOMMENDATIONS

It is recommended that Neighbourhood Services Committee notes progress towards meeting the EESH standard in the Councils housing stock as detailed in this report.

3. FINANCIAL IMPLICATIONS

3.1. The main mechanism for improving the thermal efficiency of the Council's housing stock and delivering compliance with EESH is the External Wall Insulation (EWI) programme. The programme costs are met by three funding streams: Home Energy Efficiency Programme Scotland – Area Based Schemes (HEEPS-ABS), Energy Company Obligation (ECO) from the utilities companies and the Council's Housing Revenue Account (HRA) Capital budget.

The table below shows the funding since the inception of the EWI programme at the end of financial year 2013/14. The Planned funding for 2017/18 includes £3.116m of additional funding for Energy efficiency works in 2017/18 agreed as part of the rent setting for 2017/18.It also includes £1.885m for carry forward of those projects that did not complete in 2016/17 as planned.

	HEEPS-ABS	ECO	HRA Capital
2013/14	£1.500M	£0.544M	£4.100M
2014/15	£1.700M	£0.697M	£4.176M
2015/16	£2.465M	£0.379M	£4.300M
2016/17	£1.960M	£0.240M	£3.250M
2017/18 Planned	£1.345M	£0.360M	£10.587M
Total	£8.970M	£2.220M	£26.413M

4. MAIN TEXT

4.1. Compliance

The EESH Standard is based on minimum EPC (Energy Performance Certificate) Energy Efficiency Ratings. These vary depending on the type of property and the fuels used for heating and are detailed in the table below. The targets are measured by Standard Assessment Process (SAP) ratings.

Dwelling Type	Gas SAP	Electric SAP
4 in a Block	65	65
Houses (other than detached)	69	65
Tenement	69	65
Detached House/Cottage	60	60

Compliance as at 31st March 2017 is shown in the table below

Dwelling type	Gas	Electric
4 in a Block	1121 (79.3%)	12 (33.3%)
Houses (other than Detached)	1876 (59.3%)	23 (25%)
Tenement	5453 (71.6%)	80 (45.5%)
Detached House	30 (83%)	0

Overall compliance is **68.6%**, comparative average figures for Scottish Local Authorities are not available at this time

As with the Scottish Housing Quality Standard (SHQS) there is an option to apply for temporary exemptions for individual dwellings where it is not possible to meet the standard for the following reasons:

- Excessive/disproportionate cost
- Social reasons
- Potential disposal
- Unable to secure funding

At this stage temporary exemptions have been identified at Dudhope Court MSD and at the timber houses at Linlathen. This reflects the difficulties of finding a solution at proportionate cost of meeting the EESSH standard at these locations however this will be reviewed as the programme progresses and the target date for achievement of EESSH (31st December 2020) approaches. The future requirement for temporary exemptions will depend on levels of external funding and the level of agreement of owner occupiers to works in mutual blocks as well as finding cost effective solutions for the locations highlighted above.

4.2 Programmes to meet EESSH

Under the EWI programme to March 2017 2,596 houses had been insulated including 842 owner occupied dwellings. This programme is being delivered in partnership with Scottish and Southern Energy (SSE) who have provided £1.86M of ECO funding to the programme. In addition to this during the same period £7.625M of HEEPS funding was utilised to ensure that there was no cost to owner occupiers in the programme and that as a result of this the maximum number of tenants in mutual blocks could benefit.

There are other ongoing programmes which positively impact on the energy performance of the stock including heating replacement, in particular where an electric heating system is being replaced by energy efficient gas central heating and roof replacement providing enhanced levels of insulation.

Once works are complete all residents who have benefited from the External wall insulation programme are offered a visit from an energy adviser from the DEEAP team to ensure that heating systems are set in such a way to maximise savings whilst ensuring comfort. The opportunity is taken at this time to carry out a Customer satisfaction survey on how the works were carried out and for the residents view on the complete package from initial information /consultation stage to completion.

The EWI programme is particularly welcomed by householders. EWI enhances the thermal efficiency of people's homes increasing comfort levels, reducing fuel bills, tackling fuel poverty

and reducing carbon emissions. An additional benefit is the positive uplift in the overall appearance of estates.

Results from the ongoing customer satisfaction surveys have been very encouraging. Of the responses received in 2016/17 residents have reported that 88% of them feel their home warms up more quickly and 93% were completely satisfied with the work carried out in the programme. Furthermore as an overall measure 82% of residents reported that they can now afford their heating bills

4.3 **Governance and Risks to successful delivery**

The Council's governance of progress towards EESSH is headed by an EESSH/SHQS Project Board chaired by the Executive Director of Neighbourhood Services and attended by other Heads of Service involved. A Risk Matrix is in use for consideration by the Board which tracks all identified risks to compliance and utilises a traffic light system to identify urgent actions and other risks that should continue to be monitored. At present all risks are green and adequately managed, there are no red or amber risks on the matrix. The risks monitored are:

- Meeting EESSH by 2020
- Insufficient external funding
- HRA Capital resources insufficient for tenanted properties in EWI programme
- Reliable information on EESSH
- Future changes to HEEPs /ECO
- Non participation of owners
- Inability to comply with EESSH on non traditional house types

The two major risks to delivery from the matrix are those that are not wholly under the control of the City Council, these relate to external funding and any future changes to the HEEPS and ECO income streams. Although the HEEPS grant for 2016/17 reduced to £1.238M this had been mitigated by an award to the council of a national underspend of HEEPS in 2015/16 and additional funding for 2016/17 amounting to £722,000 which had to be spent by the end of May 2017. Dundee City Council was successful in bidding for this additional funding due to the Council's ability to initiate projects through the framework with SSE. The Allocation of HEEPs for 2017/18 has been confirmed as £1.345M. An opportunity to bid for a further grant of up to £75,000 has arisen and a bid is to be submitted

A review of EESSH and HEEPs is currently underway by the Scottish Government which may change the availability of funding for energy efficiency works including their scope and criteria. An early outcome from this process has led to the launch of a Pilot Scottish Energy Efficiency Programme (SEEP) which focuses on non domestic energy savings and how these can link in with the domestic sector. This pilot is in place until 2019.

5. **POLICY IMPLICATIONS**

This report has been screened for any policy implications in respect of sustainability, Strategic Environmental Assessment, Anti Poverty, Equality Impact assessment and Risk Management. There are no major issues.

6. **CONSULTATIONS**

The Council Management Team have been consulted in the preparation of this report.

7. **BACKGROUND PAPERS**

None

Elaine Zwirlein
Executive Director of Neighbourhood Services

David Simpson
Head of Housing & Communities

14 August 2017

REPORT TO: NEIGHBOURHOOD SERVICES COMMITTEE – 11 SEPTEMBER 2017
REPORT ON: FIELDS IN TRUST – DEED OF DESIGNATION DRUMGEITH PARK
REPORT BY: EXECUTIVE DIRECTOR OF NEIGHBOURHOOD SERVICES
REPORT NO: 281-2017

1.0 PURPOSE OF REPORT

1.1 To seek approval from committee for the designation of Drumgeith Park as a Fields in Trust protected site.

2.0 RECOMMENDATIONS

2.1 The committee are asked to approve the designation of Drumgeith Park as a Fields in Trust Designated Protected Site.

2.2 That it is remitted to the Head of Democratic and Legal Services to enter into a Minute of Agreement with National Playing Fields Association, operating as Fields in Trust.

3.0 FINANCIAL IMPLICATIONS

3.1 There are no additional financial implications from these actions and the open spaces will continue to be maintained from within existing revenue budgets.

4.0 BACKGROUND

4.1 Reference is made to Article IV of the minute of meeting of the Environment Committee of 25th August 2014, report 318-2014 Fields in Trust - Queen Elizabeth Field Challenge and Centenary Fields, which agreed the nomination of various council owned parks and open spaces as Fields in Trust Challenge Fields. This designation of parks forms part of a long association the council has had with Fields in Trust. The King George's Sport Memorial Field in Caird Park was the first Fields in Trust designated protected site in Dundee.

4.2 As part of the development process for the Proposed Regional Sports Development Centre at Caird Park discussions have taken place with Fields in Trust to ensure that a replacement for the King George's Sport Memorial Field at Caird Park is identified within Dundee. Officers have identified Drumgeith Park as a suitable site. The designated area covers the seven football pitches in Drumgeith Park and does not include the buildings. A plan is attached.

4.3 The key benefits of the Designated Protected Site to the council are:

- A clear commitment by the council to the conservation of its public parks and important areas of open space.
- Access to direct improvement grants from the Fields in Trust funding programme.
- A commemorative plaque and through association with the scheme assistance in accessing other external funding through demonstrating partnership working and a commitment to conserving our parks and open space.
- Access to tool kits and technical advice on park improvements and development proposals.

4.4 By entering into a Minute of Agreement the Council would grant to Fields in Trust a right to designate the site at Drumgeith Park as public open space in perpetuity. This will result in requiring the consent of Fields in Trust in respect of the sale of the site or any part thereof and in respect of any proposed change of use from its current function for public leisure activity.

5.0 POLICY IMPLICATIONS

5.1 This Report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management. There are no major issues.

6.0 CONSULTATIONS

6.1 The Council Management Team have been consulted in the preparation of this report.

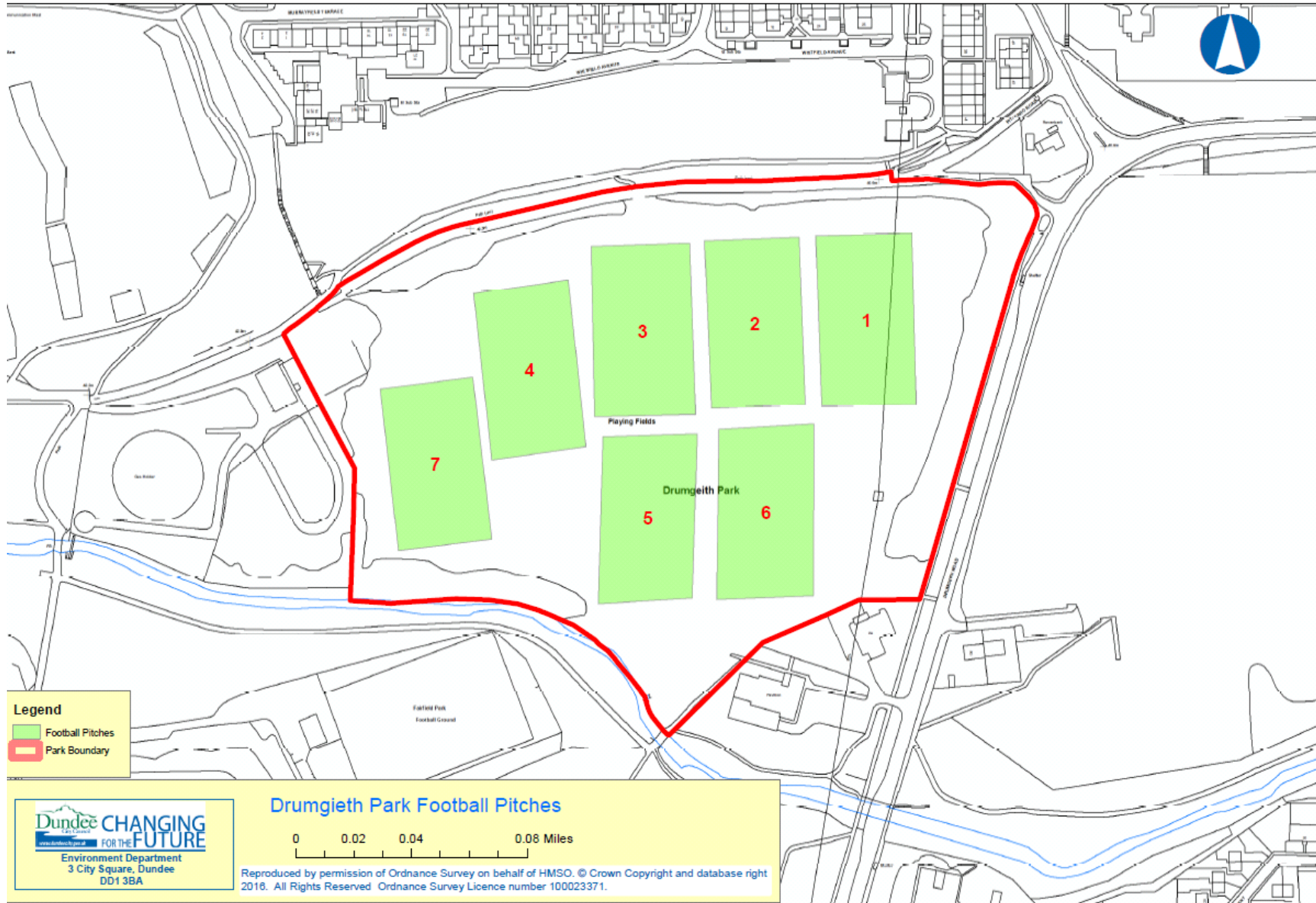
7.0 BACKGROUND PAPERS

7.1 None

Elaine Zwirlein
Executive Director of Neighbourhood Services

Gary Robertson
Head of Environment

17th August 2017

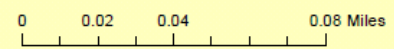


Legend

- Football Pitches
- Park Boundary

Dundee **CHANGING FOR THE FUTURE**
 Environment Department
 3 City Square, Dundee
 DD1 3BA

Drumgeth Park Football Pitches



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REPORT TO: NEIGHBOURHOOD SERVICES COMMITTEE – 11 SEPTEMBER 2017
REPORT ON: TENDERS RECEIVED BY HEAD OF DESIGN AND PROPERTY
REPORT BY: HEAD OF DESIGN AND PROPERTY
REPORT NO: 286-2017

1 PURPOSE OF REPORT

1.1 This report details tenders received and requests a decision on acceptance thereof.

2 RECOMMENDATION

2.1 Approval is recommended of (1) the acceptance of the tenders submitted by the undernoted contractors and (2) the undernoted total amount, including allowances, for each project.

Project Description	Reference/Project	Contractor	Tender Amount	Fees & Other Costs	Total Amount
17-1099 - Individual Houses 2017/2018 - Heating, Kitchen and Bathrooms		Construction Services	£450,000.00	£50,000.00	£500,000.00
17-502 - Midmill Development Flats Window Replacement		Construction Services	£233,445.68	£23,601.12	£257,046.80

3 FINANCIAL IMPLICATIONS

3.1 The Executive Director of Corporate Services has confirmed that funding for the above project is available as detailed on the attached sheet.

4 POLICY IMPLICATIONS

4.1 This Report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management. Any issues are detailed on the attached sheets.

5 CONSULTATIONS

5.1 All members of the Council Management Team have been consulted and are in agreement with the contents of this report. The Client Department has also been consulted with regard to policy implications.

6 BACKGROUND PAPERS

6.1 None.

7 FURTHER INFORMATION

7.1 Detailed information relating to the above Tenders is included on the attached sheet. The construction works in this report have been procured using the general guidance contained in the following documents approved by the Council:

- a Report: 148-2003 - Partnering Guidelines for Construction Projects;

- b Report: 356-2009 - Construction Procurement Policy; and
- c Standing Orders - Tender Procedures of the Council.

Mike Galloway
Executive Director of City Development

Fergus Wilson
Head of Design and Property

FW/RP/CM/KM

31 August 2017

Dundee City Council
Dundee House
Dundee

CLIENT	NEIGHBOURHOOD SERVICES	NEIGHBOURHOOD SERVICES
PROJECT NUMBER PROJECT PROJECT INFORMATION	17-1099 Individual Houses 2017/2018 - Heating, Kitchen and Bathrooms The works comprise the removal of existing electric heating systems and the installation of gas heating systems, kitchens and bathrooms to various addresses within the city to approximately 60 houses. None of the properties are in the demolition programme.	17-502 Midmill Development Flats - Window Replacement The works comprise the removal of existing double glazed windows and the renewal of them to 39 houses at 10, 11, 13, 15, 17, 19, 21, 23, 41, 49, 51, 57, 59 and 61 Bridgend Street, 4 Buick Place, 8, 14, 16, 20, 24, 32, 34, 40, 42, 46 and 50 Happyhillock Road, 5 O'Neill Terrace, 5, 9, 10, 12, 13, 14, 15, 19, 27 and 29 Parkhead Place and 173 and 177 Pitkerro Road
ESTIMATED START AND COMPLETION DATES	Start September 2017 Complete March 2018	Start October 2017 Complete March 2018
TOTAL COST	Several Works £450,000.00 Allowances <u>£50,000.00</u> Total <u>£500,000.00</u>	Several Works £233,445.68 Allowances <u>£23,601.12</u> Total <u>£257,046.80</u>
FUNDING SOURCE	Capital – Housing HRA, Energy Efficient (Heating Replacement)	Capital – Housing HRA, Free From Serious Disrepair (Windows)
BUDGET PROVISION & PHASING	2017/2018 £500,000.00	2017/2018 £257,046.80
ADDITIONAL FUNDING	None	None
REVENUE IMPLICATIONS	None	None
POLICY IMPLICATIONS	There are no major issues.	There are no major issues.
TENDERS	Negotiated project. <u>Tenderers</u> <u>Tender</u> Construction Services £450,000.00	Negotiated project. <u>Tenderers</u> <u>Tender</u> Construction Services £233,445.68
RECOMMENDATION	Acceptance of offer.	Acceptance of offer.
ALLOWANCES	Professional Services £38,250.00 Miscellaneous Works <u>£11,750.00</u> Total <u>£50,000.00</u>	Professional Services £19,842.88 Miscellaneous Works <u>£3,000.00</u> Total <u>£22,842.88</u>
SUB-CONTRACTORS	None	None
BACKGROUND PAPERS	None	None