

SCOTTISH BORDERS COUNCIL EXECUTIVE COMMITTEE

MINUTE of Meeting of the EXECUTIVE COMMITTEE held in Council Chamber, Council Headquarters, Newtown St Boswells, TD6 0SA on Tuesday, 16 October, 2018 at 10.00 am

Present:- Councillors S. Mountford, (Chairman), S. Aitchison (Vice-Chairman), G. Edgar, C. Hamilton, E. Jardine, T. Miers, M. Rowley, R. Tatler, G. Turnbull and T. Weatherston

Apologies:- Councillor S. Haslam
Also present:- Councillor H. Scott
In Attendance:- Chief Executive, Chief Financial Officer, Service Director Regulatory Services, Group Manager Housing Strategy & Services, Clerk to the Council, Trainee Democratic Services Officer; Mr A. Haseeb, Audit Scotland.

1. **MINUTE**

There had been circulated copies of the Minute of the meeting of the Executive Committee held on 2 October 2018.

DECISION

AGREED that the Minute be approved and signed by the Chairman.

2. **PROPOSED FUNDING CONTRIBUTIONS FOR DELIVERING EXTRA CARE HOUSING IN GALASHIELS**

With reference to paragraph 7 of the Minute of 28 June 2018, there had been circulated copies of a joint report by the Service Director Regulatory Services and the Chief Financial Officer recommending that the Council financially assist the delivery of the extra care housing development at Langhaugh Galashiels, which would provide 39 affordable housing, through the use of its Affordable Housing Investment Budget. The report also presented the progress as set out in the Extra Care Housing Framework Eildon Housing Association (EHA) to the development of the Langhaugh site in Galashiels. In order to support the delivery of the project, the Scottish Government had agreed to provide a significant enhanced grant and EHA were contributing higher than usual private borrowing per unit. However, issues with contamination had emerged through site demolition and clearance works which indicated a funding gap of up to £1.8m. The sums recommended for approval were included in the Integrated Strategic Plan for Older Peoples Housing, Care and Support Needs, which was approved by Council in June 2018. The Chief Financial Officer explained that the proposed 39 affordable homes in Langhaugh would be a major investment and would generate around £0.039m in annual Council Tax income for the Council. If the full amount of £1.8m was not required it could be made available to assist with a variety of other affordable housing across the region. It was noted that asbestos had only been discovered on site within the floor slab in the former mill when this was being broken up by the demolition contractors. Members welcomed the project.

DECISION

(a) AGREED:

- (i) to approve the contribution of up to £1.8m of grant funding from the Council's Affordable Housing Investment Budget to Eildon Housing**

Association to enable the commencement of development of the extra care housing development at Langhaugh, Galashiels; and

(ii) to delegate authority to the Chief Financial Officer to liaise with Eildon Housing Association to agree arrangements to make payment to dovetail with project spend profile requirements.

(b) NOTED that Officers would continue to keep the specification for future extra care developments under review to ensure the maximisation of best value in line with the decision to gap fund the extra care project at Duns.

3. STRATEGIC HOUSING INVESTMENT PLAN 2019-2024 SUBMISSION

With reference to paragraph 3 of the Minute of 17 October 2017, there had been circulated copies of a report by the Service Director Regulatory Services seeking approval of the Strategic Housing Investment Plan (SHIP) 2019-2024 due to be submitted on line and by hard copy to the Scottish Government by 26 October 2018. The report explained that Local Authorities were required to produce an annual SHIP submission to Scottish Government and that this was the Council's 10th report. Scottish Borders Council, with the involvement of its key partners via the SHIP Working Group, had prepared this SHIP submission. The SHIP articulated how the Council and its RSL partners would seek to deliver the Borders affordable housing investment needs and priorities identified in the Council's Local Housing Strategy (LHS) 2017-2022 over a 5 year planning horizon. Homes would be counted towards the Scottish Parliament's target of 50,000 Affordable Homes. Based on Resource Planning Assumptions (RPAs) from Scottish Government Officials of £44.855m for the period 2018-2021, £4.6m from charitable bonds, Registered Social Landlords (RSLs) partner private sector borrowing and a commitment from the Council's Affordable Housing budget, approximately 751 new affordable homes would be delivered over the next 2 years and up to 1,047 within the next 5 year period. This latter figure assumed that all identified challenges and infrastructure issues were resolved in a timely manner, funding was available and that agreement had been reached between all interested parties and the construction sector had capacity to deliver projects. SHIP also included a number of new build extra care housing developments in key Borders towns. It was noted that a total investment of £185m had contributed to various affordable homes within the Region. Eildon Housing Association was also building a number of passive houses which would dramatically reduce the cost of heating for tenants and that this could be a major switch for housing standards across the Borders.

DECISION

APPROVED the SHIP 2019-2024 for submission to the Scottish Government More Homes Division by 26 October 2018.

4. PROPOSED FINANCIAL ASSISTANCE TO WAVERLEY HOUSING TO PURCHASE FORMER RIGHT TO BUY FLATS

4.1 There had been circulated copies of a joint report by the Service Director Regulatory Services and the Chief Financial Officer seeking to financially assist Waverley Housing to acquire up to 6 privately owned "Right to Buy" flats in Upper Langlee Galashiels, through the use of the Council's Affordable Housing Investment Budget. Waverley Housing proposed to embark on a housing-led regeneration on part of Upper Langlee in Galashiels where they were the majority owner. This large scale regeneration project was dependent on the demolition and re-modernisation of a number of unpopular housing blocks. Waverley Housing would acquire these 6 privately owned flats to build an estimated 115 new build homes through a phased re-development approach. This was a high cost project funded via housing association grant and high levels of private sector borrowing by Waverley Housing and the Council's contribution would assist to fill the gap of £1.5m to Waverley Housing with other monies coming from grant funding from Scottish Government. This development would bring benefits to the whole Langlee area, with residents welcoming the transformation work.

- 4.2 It was advised that the Group Manager Housing Strategy and Services, Ms Fancy, would be leaving Scottish Borders Council and Members thanked her for her exceptional work with the SHIP and other housing projects over the years and wished her well for the future.

DECISION

AGREED:

- (a) to approve the contribution of up to £300k by way of grant funding from the Council's Affordable Housing Investment Budget to Waverley Housing to fund the acquisition of up to 6 flats in Upper Langlee Galashiels, on condition that it enabled the demolition of the Block; and
 - (b) to delegate authority to the Chief Financial Officer to liaise with Waverley Housing to agree arrangements to make payment to dovetail with project spend profile requirements.
5. **PRIVATE BUSINESS**
AGREED under Section 50A(4) of the Local Government (Scotland) Act 1973 to exclude the public from the meeting during consideration of the business detailed in the Appendix to this minute on the grounds that it involved the likely disclosure of exempt information as defined in the relevant paragraphs of part 1 of schedule 7A to the Act.

SUMMARY OF PRIVATE BUSINESS

6. **MINUTE**

The private Minute of the meeting held on 2 October 2018 was approved.

The meeting concluded at 10.25 am