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<b>Report To:</b>	<b>Safe, Sustainable Communities Committee</b>	<b>Date:</b> 3 <sup>rd</sup> May 2011
<b>Report By:</b>	<b>Corporate Director Education &amp; Communities</b>	<b>Report No:</b> <b>SCS/59/11/AH/DH</b>
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<b>Subject:</b>	<b>Clune Park Regeneration: Progress Report</b>	

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## 1.0 PURPOSE

- 1.1 This report provides Committee with a progress report on the proposed regeneration of the Clune Park area in Port Glasgow.

## 2.0 SUMMARY

- 2.1 The Committee were updated on progress issues with Clune Park Regeneration at the last Committee meeting in March 2011. This followed a walk around of the area by committee members who were able to see the degraded state of the area.
- 2.2 Significant funding and legislative issues had led to a situation where the Council and the Scottish Government officials were unable to progress the regeneration of Clune Park.
- 2.3 To overcome this deadlock the Minister for Housing and Communities was invited to Clune Park to meet with the Clune Park Regeneration Task Group and to have a tour of the area and see the serious condition of the area. Members of the Local Government and Communities Committee were also invited.
- 2.4 On the 14<sup>th</sup> March 2011 Alex Neil MSP, Minister for Housing and Communities, met with the Task Group which includes local residents and had a walking tour of the area. The Convenor of the Local Government and Communities Committee, Duncan McNeil MSP, also attended. The Minister made a number of comments of support to tackle this area and further agreed to consider a plan for the regeneration of the area that the Council would submit to the Scottish Government by the end of May. This plan will be submitted to a special meeting of the Committee on 24<sup>th</sup> May
- 2.5 The Chief Executive has since written to Alex Neil, reiterating Minister's comments of support and confirming our intention to submit a new plan by end of May 2011. The Chief Executive further pointed out the Council's commitment to the regeneration with reference to the recent £500,000 allocation, concerns with current legislation that allow landlords to frustrate regeneration plans and request that Scottish Government officers work with Council Officers prior to the final submission of plan in order that it can progress through the Government.
- 2.6 The Local House Condition Survey report for the area is being used to inform development the regeneration plan.
- 2.7 Proposals are currently being developed by SOA 2 outcome delivery group and Alliance partners to pilot a Multi Agency Resilience Task Force which will target interventions and support aimed at improving community wellbeing by creating a more capable and resilient community in Clune Park and the surrounding area has resulted in the formation of a multi agency group to deal with landlords / tenanted property in the Clune Park area

### **3.0 RECOMMENDATIONS**

#### 3.1 That Committee:

- a) Note the current progress towards the regeneration of this area,
- b) Note that the proposed regeneration plan will be submitted for approval to the Committee at a special meeting on 24<sup>th</sup> May,
- c) Agree that further progress updates are submitted to future meetings of the Committee.

**Albert Henderson**  
**Corporate Director Education & Communities**

## **4.0 BACKGROUND**

- 4.1 There are two main issues relevant to the progression of regeneration in the Clune Park area, finance and legislation. The cost of regeneration requires further discussion with the Scottish Government in terms of agreeing a long-term commitment. The legislation available to Local Authorities does not facilitate the delivery of an area wide regeneration plan and requires further discussion with the Scottish Government to develop a suitable route to progressing regeneration.
- 4.2 Budget costs to deliver the agreed regeneration option, including acquisition, demolition and new-build costs were submitted to the Scottish Government Housing Investment Division for consideration and were rejected on cost grounds.
- 4.3 At a meeting in March 2010 with the Minister for Housing & Communities no funding commitment was given, however further meetings were arranged with senior Civil Servants. During the meetings the Council agreed to gather updated information on the area and look to existing housing legislation to inform possible solutions.
- 4.4 Senior civil servants confirmed that, in principle, the new build element of regeneration would be eligible for funding through the Affordable Housing Investment Programme (AHIP) if Clune Park was identified as a priority in the Council's Strategic Housing Investment Plan (SHIP). It was also indicated that funding for new build through AHIP is likely to be limited in light of the Scottish Government's strategic spending review.
- 4.5 The Housing Renewal Area (HRA) legislation does not provide for an area wide approach to regeneration where demolition is required and prescribes that each individual house must be in a state of serious disrepair and require demolition. Despite the widespread physical disrepair in Clune Park serious disrepair does not exist in every house, thereby preventing the use of this legislation.
- 4.6 Discussion has been held with the Housing & Regeneration Directorate of Scottish Government and a report submitted to the Directorate proposing a minor legislative change to the Housing (Scotland) Act 2006 to allow area wide treatment on the basis of the majority of housing within an area being in serious disrepair. However, this proposal was rejected.

## **5.0 ACTION TO DATE**

- 5.1 The regeneration of Clune Park is included in the Council's Strategic Housing Investment Plan 2011-2016 and is the main housing investment priority for the Council upon completion of currently committed developments.
- 5.2 Clune Park Private Sector House Condition Survey is complete and is helping to inform the Council's understanding of the physical and social problems in the area.
- 5.3 The 2006 Study estimated the cost of acquisition, demolition and construction of new build properties within the Clune Park footprint at £18m. Revised schemes utilising alternative models require similar levels of funding and the acquisition and demolition costs are estimated at c. £8m.
- 5.4 Officers are currently working up options to regenerate the area
- 5.5 Minister for Housing and Communities Alex Neil MP visited the Clune Park area on the 14<sup>th</sup> March 2011. He met with the community and ward Councilors and walked around the area, he was able to see first hand the serious problems affecting the area. He made a

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number of comments of support in tackling the area and agreed to consider a plan for the regeneration of the area that the Council would submit to the Scottish government by the end of May.

5.6 The Convener of Scottish Government's Local Government and Communities Committee Duncan McNeil MSP, also visited the Clune Park area on the 14<sup>th</sup> March. The Convener had previously agreed to produce a legacy paper for the new committee in order to feed in to discussion on the issues around legislative changes raised by the situation in Clune Park. A briefing note on these legislative issues has been sent to the Convener.

5.7 The Chief Executive has written to the Minister to thank him for his visit and to reiterate the comments of support the Minister made. The Chief Executive also made the following points

- The Council has an active programme to place Closing Orders on properties that fail the Tolerable Standard.
- There needs to be a fundamental change in legislation to provide appropriate powers to Councils to remedy the current position where landlords can frustrate plans to regenerate the area.
- The Council has commissioned a full Housing Condition and property ownership survey of all the 45 tenements in the area
- The Council has now allocated £500,000 funding to give impetus to the developments that we want to see taking place in the Clune Park area and it is apparent that a very significant cocktail of additional funding will also be required.
- The Council's view is that the area is no longer sustainable and that the only effective solution is to re-house the resident community and demolish the 430 dwellings. How this could be achieved will be the basis of the proposed plan which will be submitted by end of May 2011.
- We would welcome an input from Scottish Government officials prior to the final submission of the plan to help facilitate its progression within Government

5.8 Proposals are currently being developed by SOA 2 outcome delivery group and Alliance partners to pilot a Multi Agency Resilience Task Force which will target interventions and support aimed at improving community wellbeing by creating a more capable and resilient community in Clune Park and the surrounding area has resulted in the formation of a multi agency group to deal specially with Landlord/ tenanted property in the Clune Park area

## **6.0 IMPLICATIONS**

### **6.1 Strategic**

The progression of the regeneration of Clune Park, through the Strategic Housing Investment Plan 2011 – 2016, will make a valuable contribution to several strategic aims and objectives as set out in the:

- Single Outcome Agreement;
- Community Plan; and
- Local Housing Strategy

## 6.2 Financial

The progression of the regeneration of Clune Park requires external funding.

The Council's current financial commitment to the Clune Park Regeneration.

Cost Centre	Budget Heading	Budget Year	Proposed Spend	Virement From	Other Comments
Capital Fund	Clune Park Regeneration	2011/14	Maximum £500,000	General Fund Reserves	Approved Feb 2011 in the administration's 2 year budget.  Lever to gain external funding.
TOTAL			£500,000		

## 6.3 Legal

Advice from our Legal and Democratic Services will be sought to ensure that all possible remedies and actions are taken within existing legislation.

## 6.4 Equalities

When delivering services to our customers, full cognisance is taken of equality and diversity processes and procedures.

## 7.0 LIST OF BACKGROUND PAPERS

- 7.1
- Robert Street Area - Housing Options Study: June 2006
  - Robert Street Area – Housing Options Study, Environment & Regeneration Committee, January 2007. ECP/HOU/BB07MSB/010
  - Robert Street Area – Regeneration Strategy Steering Group Update, SSCC, June 2007. ECP/HOU07WR/032
  - Robert Street Area – Regeneration Strategy Steering Group Update, SSCC 25 October 2007. ECP/HOU/WR07/046
  - Clune Park Regeneration: Progress Report – SSCC, March 2011. ECP/Plann/WR10/008