



Development Strategy

Management Committee submission:	30 March 2021
Previously Approved	26 March 2019
Approved:	
Review date:	March 2024

SHR Regulatory Standards:

- The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.
- The RSL is open about and accountable for what it does. It understands and takes account of the needs and priorities of its tenants, service users and stakeholders. And its primary focus is the sustainable achievement of these priorities.
- The RSL manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford to pay.
- The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose.

CHA Strategic Objectives

- To provide quality, affordable housing that meets the changing needs of our customers and to ensure fair access to housing within our area.
- To work in partnership with others, supporting our tenants and other customers, to maximise opportunities for physical and socio-economic regeneration in Clydebank.
- To ensure that our resources are adequate to deliver our objectives by investing in our people, demonstrating value for money and through robust procurement practices.
- To promote social inclusion by applying principles of equality and diversity to everything we do

This policy can be made available on request in a variety of different formats, such as on ~~tape~~CD, in large print and translated into other languages.

Contents Page

	Page
1. Purpose of the Strategy	3
2. Introduction	3
3. CHA's Role as Developer	3
4. Governance Arrangements	4
5. Identifying Housing Needs	4
6. Securing Sites	5
7. Community Involvement	5
8. Procurement	6
9. Securing Funding	7
10. Affordable Housing	7
11. Quality	8
12. Sustainability	8
13. Additional Needs	9
14. Working with Partners	9

1. Purpose of the Strategy

1.1 This strategy sets out the approach that will be taken by Clydebank Housing Association (CHA) to housing and related development in the period ~~2019/20~~ 2020/21-~~2023/24~~. It will be applied to;

- Determine the role of CHA as a developer.
- Determine whether or not it is appropriate and viable for a specific initiative to be progressed.
- Guide CHA's activity in respect of individual schemes.
- Ensure sound governance of CHA development activities.

Its implementation will be informed by our Development Risk Register.

1.2 This strategy has been prepared to take account of CHA's business plan for the period ~~2018-2022~~2020-2025 (reviewed ~~March 2019~~October 2020) and in the context of the prevailing economic, political and operational environments that CHA is operating in. It is informed by the requirements of the regulatory regimes that CHA is subject to and by the relationships that CHA has with key partners, including local and central government and funders.

2. Introduction

2.1 This statement sets out CHA's strategy for pursuing development activity over the period ~~2020/21-2023/24~~2019/20—2020/21. It is based on the objectives agreed by the association, which are contained in its Business Plan (~~202018~~ – ~~2023~~2025). It describes how CHA will deliver the following strategic objective:

“ To provide quality, affordable housing that meets the changing needs of our customers and to ensure fair access to housing within our area.” This will be achieved by:

- Working in partnership with the Scottish Government, West Dunbartonshire Council and other RSL's to increase the number of affordable housing opportunities, prioritising homes for social rent but including the provision of LIFT shared equity housing and other innovative models such as Rent to Buy, mid-market rent, etc. where necessary
- Maximising our capacity to increase housing supply in West Dunbartonshire through Scottish Government funding mechanisms, private finance and other innovative funding and delivery solutions
- Exploring opportunities to deliver innovative solutions that meet the needs and preferences of customers such as older people and people with disabilities

3. CHA's Role as Developer

3.1 In adopting its Business Plan for the period ~~2018–2023~~2020-2025, CHA is committed to new affordable housing supply within West Dunbartonshire communities, both as a direct provider and through partnership. The association has identified, and will continue to monitor, its capacity to undertake new build development during the period of this strategy, within the funding regime promoted by the Scottish Government ~~in February 2016~~, and will continue to test the impact of new funding opportunities with a view to increasing this contribution wherever possible.

3.2 CHA recognises that the communities that it is active in continue to experience acute shortages of good quality affordable housing. In pursuing an active development programme, CHA has determined that there is both short and medium term demand for its

properties across the West Dunbartonshire area with currently over ~~700~~ 800 applicants on its waiting list alone. At the same time as helping to address these housing needs, CHA is committed to ensuring the long term viability of the organisation and affordability for customers. Rents for new build developments will (like those for all CHA properties) be determined with reference to the SFHA affordability model, at the same time, and will ensure the viability of schemes being assessed for development.

- 3.3 In undertaking development activity, CHA wishes to make a significant contribution to the achievement of the Scottish Government's objectives of creating a Healthier, Wealthier and Fairer, Safer, Stronger and Greener Scotland.

4. Governance Arrangements

- 4.1 The Management Committee will approve the development programme and any amendments to it.
- 4.2 The Management Committee will approve the proposed contribution by the association as described in the Strategic Housing Investment Plan (SHIP) in advance of it being adopted by West Dunbartonshire Council. The Management Committee will also agree any amendments to the proposed development programme. The Management Committee will keep CHA's borrowing capacity under review and will monitor development and programme activity against the agreed funding frameworks to ensure continuing viability of both individual schemes and the organisation as a whole.
- 4.3 The Management Committee recognises that a substantial degree of delegation to staff per its agreed Delegated Authorities is essential. Staff will make periodic reports to the Management Committee to provide assurance as to satisfactory achievement of objectives as well as against performance targets.

5. Identifying Housing Needs

- 5.1 In partnership with West Dunbartonshire Council, we will work with individual communities to identify and assess housing need, in accordance with the community engagement principles that are described in this strategy (Section 7). We will work with local community councils and contribute to community planning partnerships wherever possible.
- 5.2 We will respond to requests from local communities or landowners by visiting the area and meeting with local representatives to identify the prospects for suitable development. We will supplement the information gathered locally with information available from statutory sources, including:
- Housing Need and Demand Assessment
 - Local Development Plan
 - Local Housing Strategy
 - Strategic Housing Investment Plan (SHIP)
 - Other relevant strategies including those relating to homelessness, supporting people, integration of health and social care, supporting people from ethnic minority groups, fuel poverty and environmental sustainability.
 - Consultation with the local authority housing department
- 5.3 We will make use of the information we have from the housing register and those held by other providers. Clydebank HA will use the information collected to prepare a three-year development programme (via our Business Plan) that identifies priority areas for development and assesses the level and type of need identified in the priority areas, the

availability of suitable sites and the prospects for successful development. We will update the development programme at appropriate regular intervals via the monthly Development report to Management Committee.

- 5.4 The association will provide housing for affordable rent and, where appropriate, other tenures as appropriate to achieve scheme viability. The association will assess the need for housing for both rent and other tenures as part of the initial needs assessment.

6. Securing Sites

- 6.1 We will work with West Dunbartonshire Council and, where appropriate, private landowners and developers, and will use our local knowledge to identify suitable sites for development. Wherever possible, the association will seek to acquire sites at not more than the valuation set by an independent valuer. We will seek to minimise our exposure to risks associated with abortive costs by ensuring that as much exploratory work as possible is undertaken to confirm the feasibility of the project and site before expenditure is committed, in accordance with our Development Risk Management Register. To that end, we will work closely with the local planning department to ensure compliance with their requirements for specific projects and to identify any potential development problems at an early stage.
- 6.2 The association will seek to acquire sites for specific projects that are included in the development plan. Where CHA becomes aware of a site that has the potential for development to meet corporate objectives, the association may seek to landbank the site. The criteria against which a decision to acquire a site or part of a site for landbanking will be judged are contained in CHA's Landbanking Policy.
- 6.3 The association will seek to ensure that the sites that it acquires are assured of the provision of adequate infrastructure to support the development of the site. CHA will work with Scottish Water and other service providers at the early planning stages to ensure that there is adequate capacity within local systems to enable development to proceed.
- 6.4 The association will consider disposing of sites (or parts of sites) in its ownership for the purpose of promoting innovative new build housing opportunities such as the Rent to Buy initiative. These initiatives are likely to be small scale and undertaken where development for social rent is not viable either on its own or at all.
- 6.5 When considering the acquisition of a site, the association will take account of its development strategy, the Local Housing Strategy and discussions with the Scottish Government in determining whether or not to proceed.

7. Community Involvement

- 7.1 In developing its plans, it is important that the association consults the local communities in which the proposed development(s) is/are located. This is particularly important where there is some sensitivity associated with a project, for example because of:
- The scale of the development.
 - Its physical characteristics (for example, its visibility, particular aspects of its design, or impact on other buildings).
 - The inclusion of facilities other than housing, designed for wider community use (for example a community centre, play area, etc.).
 - The support needs of the intended client group, where community understanding of the nature and purpose of the project is at a premium.

- 7.2 In all these situations, we will work through established community/resident groups or other representative mechanisms (eg community councils) to explain and seek views on the proposals. We will maintain a record of the views and comments received. We will be sensitive to the views expressed, and will seek where feasible to make modifications to the proposals, providing always that the integrity and overall objectives of the scheme are protected.
- 7.3 In accordance with good practice relating to effective community engagement, we will:
- Use methods of consultation that are appropriate for the community in question.
 - Seek to identify any barriers to engagement.
 - Work actively with other organisations that are seeking to consult with communities.
 - Feedback the results of our consultation.
 - Review and seek to continuously improve our procedures for consultation
 - Adhere to our Tenant Participation Strategy
- 7.4 We will ensure through the statutory planning process that community councils and members of the public likely to be affected by our developments have the opportunity to consider our proposals, make comments and raise objections.

8. Procurement

- 8.1 All of CHA's regulated development procurement activities will comply with the Scottish Model of Procurement in order to ensure fairness and transparency, demonstrate probity and provide clear audit trails for decisions and actions. The association will adopt procedures for the administration of its development activities that comply with the requirements of the Procurement Reform (Scotland) Act 2014 and the associated Regulations which were implemented in April 2016. All of our procurement will be undertaken in accordance with our Procurement Strategy.
- 8.2 CHA will seek to be a good client and will adopt the most appropriate procurement method for its circumstances. All regulated procurement opportunities relating to our development programme will be advertised via the portal maintained by Public Contracts Scotland
- The association may be involved in more than one type of procurement arrangement at any one time. The factors that the association will consider when selecting a procurement route are covered in CHA's Procurement Policy.
- 8.3 The appointment of all contractors and consultants must be approved by CHA's governing body in accordance with CHA's procurement practices. CHA's procurement practices will ensure that all appointed contractors and consultants are able to satisfy CHA that they have the necessary skills and experience to undertake the relevant projects that they are invited to tender for or are otherwise appointed to undertake. All contractors must be able to evidence that they have adequate insurance cover and CHA will always have appropriate insurance in place to mitigate risk.
- 8.4 The focus of our development activity will be on new build. The association will consider purchasing completed properties from a developer where that represents good value for money, is approved by the Scottish Government and West Dunbartonshire Council in terms of grant eligibility and is in accordance with our procurement strategy and business plan objectives. Properties acquired in this way must be of at least the same quality as those houses built by the association. We will consider making land available to support the work of our partners where we are unable to pursue viable development plans ourselves.

9. Securing Funding

- 9.1 The association will contribute to the development of the SHIP in respect of the housing needs of the communities in the area that it exists to serve. The SHIP is prepared by West Dunbartonshire Council as the key planning tool that determines housing need and planned provision across the council's area. CHA's contribution to meeting identified housing need will be identified in the SHIP and the investment required from the Affordable Housing Supply Programme (AHSP) to deliver it. The AHSP is the financial allocation made by the Scottish Government to support the achievement of the government's target for new homes in Scotland. The SHIP will identify individual projects and sites where possible and areas for proposed development in the longer term. The association will seek to maximise its contribution to the local authority's development of the SHIP. The association will seek grant funding from the AHSP to contribute towards the capital costs of the proposed schemes in line with published guidance. The association will ensure that the proposals set out in the SHIP are realistic and achievable in respect of the availability of staff/consultancy resources and expertise.
- 9.2 The association will seek to maximise grant funding available from the AHSP and other sources in order to reduce CHA's need for private borrowing.
- 9.3 The association will borrow capital from private lenders to supplement the grant received through the Affordable Housing Supply Programme (AHSP) and other sources. Borrowings will be in accordance with CHA's Treasury Management Policy and will be negotiated on the best possible terms. The terms on which private funding is secured must enable swift draw down in order that the association can meet its contractual commitments. CHA will ensure an ethical approach to borrowing that will not jeopardise our compliance with existing covenants. We may consider subscribing to government-backed bond issues and will participate in new borrowing opportunities that are developed by and/or for the sector, where we are satisfied that this is in the best interests of the association and our tenants. The association will not incur additional borrowing unless the Management Committee is satisfied that it is financially viable to do so and that the funds negotiated will support the achievement of Clydebank HA's business plan objectives.

10. Affordable Housing

- 10.1 The association will work with developers to secure the provision of affordable housing through the implementation of Scottish Planning Policy (SPP3), Planning Advice Note 2/2010 and the application of affordable housing policies by the local authority, where this is consistent with the SHIP.
- 10.2 In determining affordability, the association will take account of its Rent Policy. Where the association is involved in the development of LCHO, either alone or in partnership with others, it will seek to establish a development management scheme for the development in order to ensure that common maintenance obligations are fulfilled in the future. The association will ensure that obligations in respect of common parts are set out clearly in a Deed of Conditions.

11. Quality

11.1 CHA aims to provide housing that meets the needs of our customers and is:

- High quality in its design and construction standards
- Environmentally sustainable
- Energy efficient/Cost-effective to run and maintain
- Secure

11.2 The association will maintain, and periodically review, a standard design brief which will set out the standards to be met across CHA's development programme. This brief, which will be approved by CHA's Management Committee, will:

- Comply with all current legislative requirements, including building standards.
- Comply with the standards required for Housing for Varying Needs and Lifetime Homes and aim to minimise the need for subsequent adaptations during the life of the house that would impact on the long term costs.
- Meet West Dunbartonshire's 2019 Design Standard for Housing Supported by the Affordable Housing Supply Programme
- Meet, in general terms, the planning conditions of the local authority.
- Seek to ensure that all houses achieve Secured by Design accreditation.
- Seek to ensure that, where appropriate, our houses are 'dementia friendly'.
- Demonstrate our commitment to sustainability.
- Incorporate the expectations and aspirations of our current and future customers in respect of domestic technology, for example for broadband and digital television reception.
- Demonstrate our support for innovation.
- Take into account the cost in use to the occupier, for example through the installation of effective heating systems, adequate insulation and availability of competitive tariffs.

11.3 When we consider Design and Build schemes, our agreement with the developer will depend on the extent to which it is possible to meet or exceed the terms of our standard design brief within benchmark costs.

11.4 Where we are procuring development in a traditional style, our standard design brief will form part of the strategic brief for each project, but may be augmented by quality standards that are specific to that project. CHA will use the standard design brief as the basis for the specification of the project, to be contained in the project brief.

11.5 For projects that include Low Cost Initiative for First Time Buyers (LIFT) (and other alternative tenures) or have been procured through a design and build arrangement, the association will require a warranty from NHBC or equivalent, or collateral warranties.

12. Sustainability

12.1 The strategic brief and project brief will reflect our commitment to sustainability as set out in our Sustainability Policy.

13. Additional Needs

- 13.1 In addition to our commitment to building to Housing for Varying Needs standards, the association will, wherever possible, incorporate additional features to accommodate the requirements of people with particular needs, e.g. dementia. If specific needs are identified at an early stage, the design brief will incorporate the requirements of the potential householder.
- 13.2 Where there are likely to be revenue costs attached to the ongoing occupation of the house, the association will enter into early discussions with the local authority to ensure that the necessary funding is available.

14. Working with Partners

- 14.1 We will work with partners to meet the housing and support needs of the communities we serve. For example, we will seek to respond positively to initiatives for:
- The development of specifically designed accommodation to meet additional housing needs, where the local authority or other partner will contribute towards the capital funding.
 - The development of accommodation to be leased to the local authority to meet the needs of homeless households, looked after children and other specific needs.
 - The provision of accommodation for students and key workers, in partnership with a local employer or educational establishment.

15. Equal Opportunities

Our commitment to equal opportunities and fairness will apply irrespective of factors such as age, disability, gender reassignment, marriage, and civil partnership, pregnancy & maternity, race, religion or belief, sex, and sexual orientation.

Customer Consultation Required/Arranged	No
Intranet Update	Yes
F Drive Update	Yes
Website Update	No
Leaflet change required?	No
Newsletter Promotion?	No
Other information updated, e.g. posters, automatic email responses, post cards, answering machine messages, etc.	No
Equality Impact Assessment completed	Yes 20.03.19 <u>22.03.21</u>