

DEVELOPMENT POLICY

APPROVED BY HHP BOARD:
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hebridean housing
partnership

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INTRODUCTION

- 1.1 Our development activities are dependent on our strategic objectives, financial capacity, Local Housing Strategy (LHS) and demand for housing. This information will be used to build a Five Year Development Plan that will be reviewed in line with our Business Plan.
- 1.2 This policy sets out the approach we will take at various stages of development activity.
- 1.3 The Development Risk Policy remains as a separate policy.

AIMS

- 2.1 We seek to ensure, through the adoption of this policy that:
 - our Development Programme contributes positively to us achieving our strategic objectives;
 - we comply with all relevant legislation and regulatory guidance; and
 - our development sites are well managed and safe for all those involved in them.

FIVE YEAR DEVELOPMENT PLAN

- 3.1 The Board prepare a Development Plan covering a five year period within the limits of our financial capacity which corresponds with the time frame used by the Comhairle for the Strategic Housing Investment Plan (SHIP). The Development Plan provides a framework for our development activities over a five year period and reflects the requirements of the LHS for affordable rented houses.
- 3.2 The Five Year Development Plan will outline our Strategy for identifying the sites that will progress each year.

LANDBANKING

- 4.1 Landbanking is defined as the acquisition of a site for future housing development where detailed proposals have yet to be developed and approved.
- 4.2 By landbanking we can:
 - take a longer term approach to meeting our strategic objectives;
 - identify potential sites for future development to provide continuity for our development programme;

- respond positively to initiatives by landowners and developers, where their objectives accord with ours; and
- respond positively to funding opportunities.

4.3 We will only acquire sites (or parts of sites) for landbanking where we are satisfied that:

- the site has the potential to be developed to meet our objectives and identified priorities of the LHS and is supported by Scottish Government;
- the price is reasonable, based on known site conditions (site investigations undertaken as deemed necessary), and does not exceed the valuation received from an independent valuer unless there is a strategic priority which justifies negotiating a higher price; and
- we are not putting our assets at risk as a result of the acquisition.

4.4 We will always seek funding for the acquisition of a site for landbanking.

4.5 We will always seek to minimise pre-acquisition costs but this will not be at the expense of a comprehensive and thorough feasibility study of the site and its potential for development. We will seek to recover all eligible costs as part of the overall scheme costs.

4.6 If the feasibility study identifies a doubt over provision of services, utilities or access or if there is a likelihood of unfavourable ground conditions or unacceptable risk of flooding, we are unlikely to proceed.

4.7 We recognise that sites may be offered by landowners, who wish to have some influence over the types of housing provided on the site. We will seek to accommodate reasonable conditions that are imposed at the time the offer is made which are consistent with our objectives and charitable status. If a seller proposes conditions that are unacceptable, whether they have the potential to contradict our objectives and charitable status or adversely affect valuation of the site and our ability to develop, or do not reflect the housing needs identified in the area, we will not proceed with the acquisition.

- 4.8 Where we landbank, we will identify a proposed development timeframe within a year unless otherwise agreed with the Scottish Government and the Comhairle. A landbanked opportunity will not adversely affect existing plans.

CONSULTATION

- 5.1 We will seek through our development activity to meet the needs of our present and future customers. Together with directive from the Local Authority through their LHS, SHIP and our waiting list, we will aim to establish current and future needs to inform our development plan.

- 5.2 We operate in an environment where we must work with others to achieve shared objectives. This ensures that we build complementary projects – that needs are being met across the affordable housing programme and duplication of effort is avoided. The mechanisms for doing this are to:

- Work in partnership with other local organisations to meet the needs of our communities through identifying and agreeing development opportunities;
- Participate in the preparation of the LHS and SHIP;
- Work within the Planning framework which requires community consultation for larger developments;
- Engage with Community landowners to identify suitable land for development;
- Engage with NHS Western Isles to ensure that specialist properties are provided; and
- Attend resident and Community Council meetings as appropriate.

By taking this approach, we maximise the use of collective mechanisms for consultation and sharing plans and ideas.

- 5.3 We will extend the scope of our consultation to the local community where to do so will assist in building support for the proposed development. This is particularly important where there is known sensitivity associated with the project, for example:

- The scale of development;
- Building in a rural setting;
- Where we want to raise public awareness regarding the tenure types on a site; or
- The support needs of an intended client group, where community understanding of the nature and purpose of the project is important to its success

5.4 We welcome views and will seek, where feasible, to make modifications to the proposals, as long as the overall objectives of the project are being met.

NAMING A DEVELOPMENT

6.1 Development names will normally be in English in Stornoway Town, Balivanich, Tarbert and Castlebay and Gaelic elsewhere. Development names should reflect the history or landscape of the area being developed. The details of any names should be sense checked.

6.2 Generally a development will not be named after an individual unless there is a compelling historical connection with the development site or strong community support. Developments will not be named after living individuals.

6.3 No development should start with "The". For most development names, one of the following suffixes will be presumed (or its Gaelic equivalent)

Street	Close	Court	Avenue
Road	Square	Place	
Lane	Terrace	Crescent	

If any other suffix is to be used, the Board will record the reason for its use.

6.4 The process for naming housing developments will normally be triggered at the point of tender acceptance. It should be completed in time for the name to be registered with the Local Authority and to be notified to utility companies in good time for connections to be arranged.

- 6.5 Consultation on the naming of a new development will take place before Board approval and consultees in the first instance will include:
- a) Local Councillor;
 - b) Local Historic Society; and
 - c) Local Community Council and any Residents/Tenants Associations.
- 6.6 Our local authority (Comhairle nan Eilean Siar) under the Civic Government (Scotland) Act 1982, section 97, may in relation to any road in their area, give a name to it as they think fit and give each premise in it a distinguishing number as they see fit.
- 6.7 A survey will be provided to the above consultees and then publicised via our Social Media Platforms to allow the members of the local community to also participate. All names will firstly be verified for historical/contextual accuracy.
- 6.8 A shortlist of names will be provided to Board to be considered and once approved, will be submitted to the Data Custodian of CnES (OSG Gazetteer custodian) to officially register the addresses.
- 6.9 For the purpose of the emergency services, where developments have a Gaelic name, the English equivalent will also be provided for the Gazetteer. Both names can be inputted in the OSG.
- 6.10 Development name signage will be in place prior to the occupation of the houses and names will appear in the language in which they are named and will not normally be translated on signage.

CDM

- 7.1 Under the terms of the Construction (Design and Management) Regulations 2015, HHP has the status of Client. This makes HHP a "duty holder" in terms of the Regulations. We will seek to fulfil our responsibilities as a client effectively and properly.
- 7.2 We take our health and safety responsibilities very seriously and seek to ensure that our development activities do not present any undue risk to our own or other employees or to members of the public. We will apply our health and safety policy consistently and robustly.

7.3 We aim to:

- fulfil our responsibilities as Client under the terms of the CDM Regulations 2015 from design to demolition;
- integrate health and safety into the management of construction projects;
- ensure that development sites are well managed and safe for all those involved with them; and
- encourage liaison and communication between parties, ensure thorough planning and management of projects from conception to completion, and managing the risks by applying the general principles of prevention.

7.4 We anticipate that all of our developments will be “notifiable projects” in terms of the Regulations, as they will be on site for more than 30 days. Consequently, we must appoint suitably competent persons to each of the different positions within project teams.

7.5 We will apply our Procurement Strategy and Procurement Policy to ensure that those appointed to these roles are suitably qualified and sufficiently competent to carry out their duties under the Regulations.

7.6 We will appoint the Principal Designer as soon as possible after the initial design work has begun. The terms of the appointment (which will always be in writing) will make specific reference to the provisions of the CDM Regulations 2015. The Director of Operations is responsible for advising on the appropriate point at which such an appointment should be made.

7.7 The selection and appointment of a contractor will be undertaken in accordance with our Procurement Policy and will be dependent on the contractor accepting the duties associated with the role of Principal Contractor as set out in the CDM Regulations 2015. We will ensure the requirements of Regulation 5(2) are observed when appointing the Principal Contractor (this requires the principal contractor to be appointed as soon as practicable after the client knows enough about the proposed development). The contract will make specific reference to the duties imposed on the Principal Contractor under the terms of the CDM Regulations 2015.

7.8 We will inform everyone involved with the project of their duties to report anything likely to cause danger to health or safety and will establish and publicise the arrangements for such reports to be made. We will also ensure that everyone

associated with the construction project is aware of their duty to co-operate with everyone on the site and any adjacent site.

- 7.9 The Principal Designer is required to confirm that appropriate arrangements are in place for the effective management of the construction project.
- 7.10 The Development Manager will ensure that the Health and Safety File is handed over to us by the Principal Designer within 7 days of handover. The Director of Operations will be responsible for ensuring that the file is made available for inspection and is kept up to date.

HANDOVER

- 8.1 Once a development, or an agreed phase, of a development has reached practical completion, the properties will be handed over from the contractor to HHP.
- 8.2 We will seek to ensure that:
- buildings we procure are completed to an agreed high standard;
 - buildings are substantially defect free at the point of handover;
 - potential tenants will be identified at a minimum 1 month before handover;
 - potential tenants will be given advice on the process, be continuously informed as to timescales and if any slippage occurs;
 - houses are occupied as soon as possible after handover;
 - occupants are satisfied with their new homes; and
 - rental and other income is maximised.
- 8.3 We aim to ensure that properties are let as soon as possible after handover. The target time for occupation is within 7 days after practical completion. Handover procedures are in place to ensure that staff have ample time to begin the process of allocating the properties to those on our Housing List before the anticipated completion date.
- 8.4 We will not accept handover of a scheme, or part of a scheme, on or the day before a public holiday.
- 8.5 Where the handover of a scheme, or part of a scheme, is delayed beyond the agreed date as a result of the contractor's actions and no variation has been agreed with us, we will apply the provisions of the contract relating to liquidated and ascertained damages to mitigate losses unless there is justifiable reason not to.

- 8.6 Prior to handover, we will ensure the property has been inspected in line with this policy.
- 8.7 Prior to the Certificate of Practical Completion being issued, we will ensure that insurance is in place for the properties and appropriate quality checks are completed by trained personnel.
- 8.8 We require Life Cycle Costs for all materials utilised within the developments to be provided by the Contractor at Practical Completion for each project. The information is to be provided in a pro forma manner for upload onto our Planned Maintenance system and submitted to HHP by the Contractor.
- 8.9 The Health and Safety file must contain information necessary for future construction, maintenance, refurbishment or demolition to be carried out safely and is retained by the client or any future owner of the property. This should include installed service diagrams for mechanical, plumbing and electrical equipment, services both internally and externally (including the locations of all floor hatches internally) and a grounds maintenance plan. Information on external access to heights shall be provided with engineer's information on hardstandings and loading capacity/limits for mechanical equipment.
- 8.10 We will arrange appropriate security and property inspections, as agreed with our insurance provider, for any unoccupied properties following handover.
- 8.11 A post completion review of the project will be completed to capture any lessons learned and any feedback will be passed back to relevant parties.

DEFECTS

- 9.1 The handling of defects must be informed by the terms of development contracts. All contracts will make the provision for the contractor to be liable for defects arising within the 12 months following practical completion and for an appropriate retention to secure the completion of defect repairs, unless explicitly specified and agreed before the start of the contract.
- 9.2 We seek to ensure that:
- effective liaison takes place between housing management and development staff to enable houses to be occupied as soon after handover as possible;

- properties are completed to a high standard by contractors and are handed over in a “ready to occupy” condition;
 - when identified, defects are remedied quickly and to a high standard, with minimum inconvenience to occupants;
 - an effective system of monitoring is implemented to ensure that all defects are accurately recorded and are remedied within the period covered by the contractor’s liability and to the required standard; and
 - information collected in the course of implementing this policy is used to monitor contractor’s performance, resident satisfaction and our quality of service.
- 9.3 Where there are properties for shared ownership, we will ensure that the builder provides an appropriate industry recognised warranty, such as NHBC.
- 9.4 We will closely supervise each development on site to ensure that contractors deliver high standards and that defects identified after handover are kept to a minimum. We will regularly attend snagging/quality check inspections throughout the build, at practical completion and defects inspections to ensure that properties meet the requirements of potential occupiers.
- 9.5 Where a contractor fails to deal with a defect in the required timescale, we will through the Contract Administrator, put the contractor on notice and arrange for the necessary work to be carried out and the cost deducted from the retention. In making such arrangements, our priority will be to ensure minimum inconvenience and disruption to occupiers.
- 9.6 Not more than eleven months after completion, we will coordinate a comprehensive inspection of the scheme to identify all outstanding defects, instruct the contractor to carry out the necessary repairs and ensure that they are completed satisfactorily, within the period of the contractor’s liability. Reference will be made to occupiers who have reported defects during the liability period to ensure that all have been satisfactorily addressed.
- 9.7 At the end of the defects liability period, the retention sum that is due to be released to the contractor will be calculated as part of a comprehensive accounting of the scheme.

- 9.8 The Director of Operations must be satisfied that all defects have been repaired satisfactorily and that a Certificate of Making Good Defects has been issued by the Contract Administrator before the retention is paid to the contractor.
- 9.9 We will always consider the pursuit of contractors for latent defects associated with any scheme. In doing so, appropriate legal and technical advice will be obtained. Where appropriate, we will utilise insurance cover to make good any loss.

DISPUTE RESOLUTION

- 10.1 All contracts that we enter into for the provision of development services will be in a form agreed by either the recognised professional body, in the case of consultants, or the accepted industry standards (e.g. SBCC), in the case of contractors. All contracts will contain provisions relating to the resolution of disputes.
- 10.2 All contractors and consultants engaged by us must demonstrate, as a condition of their appointment, that they have valid, adequate and appropriate insurance in place to cover their liabilities in respect of the project.
- 10.3 We prefer to adopt a collaborative approach to our relationship with contractors and consultants. We prefer to try to resolve disputes by negotiation and will always seek to do this in the first instance.
- 10.4 Where a satisfactory resolution cannot be achieved between parties, then the mediation or adjudication process will be explored with HHP taking formal action or litigation to enforce contractual responsibilities only as a last resort.
- 10.5 The grounds of the dispute between us and a contractor or consultant must be agreed with the Director of Operations before being intimated to the other party. In initiating a complaint using the provisions of the contract, we will take account of appropriate legal and technical advice.
- 10.6 A decision on whether to pursue arbitration or court action must be consistent with the terms of the contract, be taken by our Board in the best interest of HHP and be informed by appropriate professional advice.
- 10.7 In February 2019, the Scottish Housing Regulator published regulatory guidance on "notifiable events". Depending on the nature and scale of any dispute, it may constitute a notifiable event, particularly if it may result in serious financial loss or reputational damage to HHP.

- 10.8 We will treat all disputes as commercially sensitive and confidential during the resolution process and will respect the terms of any agreement relating to ongoing confidentiality.

MONITORING AND REVIEW OF POLICY

- 11.1 The operation of this policy will be monitored by the Development Manager and Director of Operations. Performance on our development programme will be reported to each meeting of the Board and incorporated into our quarterly performance reports.
- 11.2 This policy will be reviewed every 3 years.

INTERPRETATIONS & ABBREVIATIONS

The following interpretations and abbreviations are used in this policy:

WORD	INTERPRETATION
<i>HHP or Partnership</i>	Hebridean Housing Partnership
<i>Board</i>	Means the Board of the Hebridean Housing Partnership
<i>Board Members</i>	All Members of the Board including co-opted Members
<i>UKAS</i>	United Kingdom Accreditation Service
<i>COW</i>	Clerk of Works
<i>CNES</i>	Comhairle Nan Eilean Siar
<i>OSG</i>	One Scotland Gazetteer is a land a property dataset.
<i>Data Custodian</i>	Administrator of data that flows into systems.
All references to the masculine gender in this policy shall read as equally applicable to the feminine gender	



HHP is a registered society under the Co-operative and Community Benefit Societies Act 2014, Registered Number: 2644R(S), Registered Office: Creed Court, Gleann Seileach Business Park, Willowglen Road, Stornoway, Isle of Lewis HS1 2QP. It is a charity registered in Scotland, Charity Number: SCO35767, registered as Registered Social Landlord with the Scottish Housing Regulator, Registration Number: 359 and registered as a Property Factor, Registration Number PF000183

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