

**Council House Building Programme Phases 2 and 3
Progress Update February 2017****Report by John Blair, Director Resources****1 Purpose of Report**

Update report to provide the Cabinet with progress being made on the Council House Building Programme.

2 Background**2.1 Council Housing Programme - Phase 1 Framework**

The first phase provided 864 additional homes within the Midlothian area over a period of 7 years with a total budget of £108,700,000 and is now complete.

2.1.1 Residual Issue: Newbyres Crescent/Gore Avenue, Gorebridge

The re-development of this site following the managed gas emissions incident is included in Phase 2. Structures have been demolished and the foundations removed. The Site Investigation Contractor was appointed in January 2017 and the onsite works commenced in February 2017.

2.1.2 Residual Issue: Solar Panels

There has been an investigation into latent defects of the solar panel installations on sites at New Park Gardens in Gorebridge, Salters Road in Dalkeith, Academy Lane in Loanhead and Cuiken Terrace in Penicuik. The problem does not appear to have restricted the benefits to tenants but relates to prevention of water ingress. Court proceedings were raised in December against four parties involved with the solar panel installation.

2.1.3 Scottish Water Contributions

The Council is entitled to recover contributions from Scottish Water following the completion of residential developments. Further reimbursements continue to be sought by the Council.

2.2 Council Housing Programme - Phase 2 Framework

Phase 2 is providing a further 412 additional homes within the Midlothian area with a total budget of £63,663,000 funded from the Housing Revenue Capital Account and Scottish Government grant funding.

There remain approximately 70 homes yet to reach the target of 412 in addition to the 75 homes committed for replacement at Newbyres Crescent/Gore Avenue. The Phase 2 Contractor Framework allows for an extension of one year beyond the expiry date of 31 July 2017.

All the available sites previously approved for Phase 2 have now been developed and further sites have since been identified, including those proposed for the Social Housing Programme Phase 3 new build.

2.2.1 Completed Sites

Site 2; Woodburn Road; Dalkeith

Site consists of 14 mainstream homes and 1 Home for Young People. All completed homes were released for occupation in September 2013.

Site 37; Eastfield Drive; Penicuik

Site consists of 32 extra care flats, 30 mainstream homes and 1 Home for Young People. All completed homes were released for occupation between March and November 2013.

Site 9; Craigiefield Crescent; Penicuik

Site consists of 17 mainstream homes. All completed homes were released for occupation in July 2015. End of year defect inspections and remedial works are now complete.

Site 18; Eastfield Drive; Penicuik

Site consists of 17 mainstream homes. All completed homes were released for occupation in August 2015. End of year defect inspections and remedial works are now complete.

Site 42; Jackson Street; Penicuik

Site consists of 14 mainstream homes. All completed homes were released for occupation in June 2015. End of year defect inspections have been carried out and remedial works completed with Making Good Certificate issued in December 2016.

Site 60; Edgefield Road; Loanhead

Site consists of 41 mainstream homes. All completed homes were released for occupation between June and November 2016.

Site 108; Polton St, Bonnyrigg

Site consists of 18 flats. All completed homes were released for occupation in February 2017. The completion of the works was delayed due to utility services issues.

2.2.2 Construction Stages

Site 51a Stobhill Road; Gorebridge

Main contract works commenced in November 2015 and are 70% complete. The works are due to be complete in May 2017.

Site 51b Stobhill Road, Gorebridge

Site consists of 32 houses and flats. Main contract works commenced August 2016 and follow on from site 51A. The completion date has been re-programmed in response to environmental issues resulting from the ground investigation. The completion date is now anticipated as June 2017.

Complex Care, Eastfield Farm Road, Penicuik

Site consists of 12 new build one bed apartments for particular needs provision and a management block created by refurbishing an existing semi-detached house. The main contractor ESH Borders Construction were appointed in February 2016 and commenced on site in March 2016.

The works are approximately 70% complete and are scheduled to complete in May 2017.

2.2.3 Pre-construction

Site 53; Morris Road, Newtongrange

Site Investigation works have been awarded and will be tendered for a site investigation start in March 2017.

Site 109; Conifer Road, Mayfield

Site Investigation works have been awarded and will be tendered for a site investigation start in March 2017.

2.2.4 Site 32/34; Newbyres Crescent / Gore Avenue, Gorebridge

Demolition of the properties was carried out from February 2016 and completed June 2016.

Ground Investigation works have been awarded and commencement of onsite activities is scheduled for February 2017 following an intense review by Environmental Health peer reviewers. Mini-competitive tender for main contract works is scheduled to be issued in March with a return, evaluation and award expected in July 2017.

2.3 Phase 3

At the Council meeting of 15 December 2015 it was agreed a Phase 3 social housing programme would follow on from Phase 2. The sites comprising Phase 3 were approved by Council in September 2016. Phase 3 will comprise up to 240 homes to be constructed from a budget of £36 million funded by the Housing Revenue Capital Account and Scottish Government Affordable housing subsidy allocation

Phase 3 will develop the immediately available sites following on from Phase 2 in addition to further sites that have since been identified as becoming available over the next few years.

3 Report Implications

3.1 Resource

All the costs of employing the necessary members of staff are included in the project budgets.

3.2 Risk

A programme-wide risk register is being maintained. Site specific Risk Logs are being maintained and reviewed on a regular basis.

3.3 Single Midlothian Plan and Business Transformation

Themes addressed in this report:-

- Adult Health Care and Housing
- Sustainable Growth

3.4 Impact on Performance and Outcomes

The proposed works support the Council's Local Housing Strategy and accord with Midlothian Council's Corporate Priorities.

3.5 Adopting a Preventative Approach

Whilst reprogramming of the milestone dates has taken place this has been developed in a manner that avoids an extension of the project timescale.

3.6 Involving Communities and Other Stakeholders

Consultations internally and externally were carried out with all appropriate stakeholders ensuring input/comment on the proposed layouts / house types and mix. This will be repeated for the additional sites.

3.7 Ensuring Equalities

This report is not proposing any new services, policies, strategies or plans (or significant changes to or review of them) and therefore has not been assessed for equalities implications.

3.8 Supporting Sustainable Development

The new build housing programme will comply with all current building regulations and follows best practice in line with the Council's policies.

3.9 IT Issues

The use of Building Information Modelling is being utilised to deliver the projects. Models exist for the generic house types and flat types. It is proposed that these models will be used for the completion of Phase 2 and the implementation of Phase 3.

4 Recommendations

The Cabinet requested to; Note the content of this report and the progress made on Phases 1, 2 and 3 of the Council House Building Programme.

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Report Contact:

John Blair Tel No 0131 271 3102

john.blair@midlothian.gov.uk