

**Council House Building Programme Phases 1 and 2
Progress Report, February 2016****Report by Garry Sheret, Head of Property and Facilities Management****1 Purpose of Report**

To provide an update to Cabinet on the progress made on the Council Housing Programmes.

2 Background**2.1 Housing Phase 1**

Phase 1 of the Housing Programme provided 864 additional Council Homes within the Midlothian area over a period of 7 years and within the total budget of £108,684,000.

2.1.1 Residual Issues**Newbyres Crescent, Gorebridge**

Following the discovery of unacceptable levels of gas emissions within properties the Council took the decision to demolish these properties and relocate affected tenants elsewhere within the Midlothian area.

All tenants have now been successfully relocated with final moves took place in September 2015.

Re-development is programmed to commence as part of Phase 2 housing following demolition and redesign.

Scottish Water Contributions

The Council is entitled to recover contributions from Scottish Water following the completion of developments. This is progressing and outstanding contributions are expected to be recovered by the end of the financial year.

2.2 Housing Phase 2

The Phase 2 Housing Programme planned to deliver a further 420 Council homes by 2018 within the approved total development budget of £63,663,000 which is funded from the Council's Capital Plan.

Current sites under design development are programmed to complete in 2018 but further sites are still required to complete the remaining target of 102 units. The delivery of these final sites is expected to be during 2019 subject to site availability.

The availability of further sites is currently under review and is dependent on securing sufficient build sites acceptable to meeting housing needs.

2.2.1 Completed Sites

Site 2 Woodburn Road, Dalkeith

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

Site 9 Craigiefield Crescent, Penicuik

Site consists of 17 mainstream homes. All completed units were released to the client for occupation in July 2015.

Site 18 Eastfield Drive, Penicuik

Site consists of 17 mainstream homes. All completed units were released to the client for occupation in August 2015.

Site 37 Eastfield Drive, Penicuik

Site consists of 32 extra care flats, 30 mainstream homes and 1 Home for Young People. All completed units were released to the client for occupation in November 2013.

Site 42 Jackson Street, Penicuik

Site consists of 14 mainstream homes. All completed units were released to the client for occupation in June 2015.

2.2.2 Construction Stage

Site 60 Edgefield Road, Loanhead

Main contract works commenced in June 2015 with the completion of 41 homes programmed for October 2016.

Site 51a Stobhill Road, Gorebridge

Main contract works were due to commence in August 2015 subject to Building Warrant approval. Approval was not granted until November 2015 due to further environmental requirements.

Main works commenced in November 2015 with completion of all 37 homes programmed for April 2017.

To facilitate earliest possible tenant occupation this site will be handed over to Housing colleagues on a phased basis.

Site 108 Polton Street, Bonnyrigg

Works commenced in November 2015 with completion of 18 homes programmed for November 2016.

2.2.3 Pre Construction Stage

Site 51b Stobhill Road, Gorebridge

This development adjoins the 51a Stobhill Road, Gorebridge site. Enabling works have been carried out alongside Site 51a which were completed June 2015.

Tender returns were received in August 2015 and evaluated. Hart Builders were given lead bid status.

Pre Construction design development is progressing. Planning consent was granted in February 2016 with Building Control consent expected in February 2016.

Main works are programmed to commence in March 2016 with completion anticipated May 2017.

The development mix agreed by Housing colleagues for 32 homes.

Housing Mix:

14nr 1 bed 2 person cottage flats
14nr 2 bed 3 person cottage flats
3nr 2 bed 4 person terraced houses
1nr 3 bed 4 person wheelchair accessible

2.2.4 Mini Competition/Tender Stage

Complex Care

Site 41 (Eastfield Farm Road, Penicuik) has been identified by Health and Social Care as the preferred location for a 12 person housing cluster unit.

A Cabinet Report submitted in February 2014 by Joint Director Health and Social Care outlined this project.

Demolition of the John Chant Centre building was completed May 2015.

Tenders for the main contractor were returned in January 2016 with evaluation and report to be completed end February 2016.

Works are envisaged to commence in March 2016 and the completion of 12 care units plus minor refurbishment of adjacent Council buildings is anticipated in winter 2016.

Site 32/34 Newbyres Crescent, Gorebridge

Services disconnections and demolition of the existing development was planned to commence in September 2015 however an extended period of time was required to allow for decanting of existing tenants.

The Demolition contract has been awarded to Reigart Contracts Limited.

Prior to demolition, legal colleagues requested that an opportunity be afforded to parties defending legal action brought by the Council to carry out their own gas testing. This window was originally to close mid January 2016 however following legal consultation it was agreed that an extension to the end of January 2016 be granted. A request to attend the identified properties and take further readings was received from one of the parties and arrangements made.

To accommodate this, the demolition has been re-programmed to commence in February 2016 with completion scheduled for June 2016.

All services have now been disconnected to facilitate commencement of the demolition works.

Appointment of an Engineering Consultant to assist the Council with the Ground remediation requirements is out to tender and expected to be in place by March 2016. Following this appointment it is anticipated that Site Investigative works would commence in June 2016 (following the completion of demolition works) and complete in October 2016 (subject to review by engineer following appointment).

Main build contract tender returns were received in November 2015. Following review by legal colleagues due to technical issues with the returned bids, a re-tender was instructed. The Re-tender is to be issued in May 2016 with notification of lead bid status in August 2016.

Main contract works are anticipated to commence in early 2017 subject to acceptable tenders and statutory consents being received.

The development has been reappraised and has an increased capacity of 66 homes, including some extra care housing.

Completion of all homes is anticipated early in 2019.

2.2.5 Future Sites

Ongoing feasibility studies of remaining housing sites suitable for Council housing is expected to be complete by the end of February 2016.

This Report will consider sites for the remainder of Phase 2 and for Phase 3, which will now be progressed following the approval of the Rent Setting Strategy by Midlothian Council in December 2015.

Site 6/24/25 D'arcy Road, Mayfield - On hold pending review of sites.

Bryans Primary Site, Mayfield - On hold pending review of sites.
Partial development of this site being explored.

Site 47 Kirkhill Road, Penicuik - This site is currently on hold pending review of all available sites.

3 Report Implications

3.1 Resource

All the costs of employing the necessary members of staff are included in the budgets for the two phases of housing.

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 and Care.
Sustainable Growth and Housing.

3.4 Impact on Performance and Outcomes

The proposed works support the Council's Local Housing Strategy and accord with Midlothian Council's Corporate Priority; Objective 1a.

3.5 Adopting a Preventative Approach

Whilst reprogramming of the milestone dates has taken place this has been developed in a manner which avoids delays to the overall project timescale.

3.6 Involving Communities and Other Stakeholders

Consultations internally and externally continue to be carried out with relevant stakeholders ensuring input/comment on the proposed Layouts/House Types and mixes

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 on the environment.

3.9 IT Issues

The use of Building Information Modelling is being utilised to deliver the projects. Models exist for the generic House and Flat Types and also Site 9 Craigiebiel Crescent, Penicuik, Site 18 Eastfield Drive, Penicuik and Site 42 Jackson Street, Penicuik and this process will follow on for the remaining developments.

The Phase 2 project through the use of Building Information Modelling is in line with Government initiatives.

4 Recommendations

Cabinet is asked to note the content of this Report and the progress made on Phases 1 and 2.

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