

Council House Building Programme Phase 2 Progress Report

Appendix 2

Report by John Blair, Director, Corporate Resources

1 Purpose of Report

Following the last Progress Report to Council on 13 November 2012, this report provides an overview of the progress for the Phase 2 of the Council's New Build Housing Programme and also updates the Cabinet on the Phase 1 build.

Highlight Reports have been produced and issued on a monthly basis giving regular progress updates to the Cabinet Member with responsibility for Housing.

2 Background

2.1 Social Housing Programme (Phases 1 & 2)

The first phase of the Council House Build Programme has entered in to the defects period following the completion of the construction stage with a total of 864 homes built.

Curently 4 sites (Site 4 Park Road/Avenue, Gorebridge, Site 29 AB Hopefield, Bonnyrigg, Site 35 Eastfield Farm Road, Penicuik and Site 40 Salters Road, Dalkeith) are within Defects Liability Periods with the last due to end September 2013.

The first Phase programme is currently predicted to cost £108.4M with the current budget set at £108.6M. The final cost is however subject to indexation.

Further to the Report to Council of 13 November 2012 and the agreed plan of action, the initial Site Studies and House Types have been progressed by the Council appointing Hackland and Dore Architects in December 2012 to undertake the design aspects for the Initial 3 Sites and also the full brochure of House/Flat Types.

Revisions to the Site Layouts/ Property Mixes and House/Flat Types have now concluded with final designs of these being agreed at a consultation workshop with the Housing Team on 11 March 2013.

Further information is provided below on each of these sites 9 Craigiefield Crescent, Penicuik; 18 Eastfield Drive, Penicuik and 42 Jackson Street, Penicuik in sections 2.1.1 to 2.1.3 in this report.

Pre application consultations took place with the Planning Department and this included consultation with Planning's Transportation colleagues to consider access and parking details.

Full Planning Applications have now been submitted for consideration, copies of the site layouts following submissions were placed on Members Information Bulletin Board in March 2013. Early stage Building Warrant applications submitted for each of the 3 Initial sites. House/Flat Type Building Warrant approvals are also to be submitted.

Site Investigative works have been procured through a tendering process and Soil Engineering Group has been appointed to complete the ground investigations/sample testing for the Initial 3 sites. Onsite works took place in April 2013. Finding Reports from these investigations will be considered during the detailed design stage for each of the 3 sites.

The Phase 2 Prior Information Notice (PIN) was advertised on Public Contracts Scotland website in January 2013 for the Main Contractor Procurement process. This requires a set advertising period with the Council responding to any queries as they are raised the notice period is now expired. The following stage is an OJEU advert where respondents can obtain a Pre Qualification Questionnaire to thereafter submit to express an interest.

Procurement strategy and detailed timelines has been reviewed and this has required a proposed adjustment to key milestone dates.

Revised programmed dates are shown below in connection with the milestones for Main Contractor Procurement process. The revised dates do not affect the overall project construction completion end date for the Phase 2 programme as the works carried out will enable a fast tracking of the further stages including best values and faster approvals due to House and Flat Types already approved and agreed with Council and Housing Department.

The proposed revised Milestone Dates:-

Post Prior Information Notice	January – April 2013
Post OJEU Notice/Evaluate PQQ Submissions/Prepare Framework Tender	May – August 2013
Issue Invitation to Tender/Evaluate Tender Returns	September 2013 – January 2014
Contract Award/Framework Established	January 2014
Earliest possible Start on Site	February 2014
Anticipated Main Construction Activities Period	February 2014 – December 2017
Anticipated Overall Project End Date	December 2018

Post Prior Information Notice	16 January - April 2013 (Completed)
Post OJEU Notice/Evaluate PQQ Submissions/Prepare Framework Tender	May - August 2013
Issue Invitation to Tender/Evaluate Tender Returns	September 2013 - January 2014
Contract Award/Framework Established	January 2014
Earliest possible Start on Site	February 2014
Anticipated Main Construction Activities Period	February 2014 – December 2017
Anticipated Overall Project End Date	December 2018

2.1.1 Site 9 (Craigiefield Crescent, Penicuik)

Following Planning consultations with Environmental Services it was required that Bat and an Ecological survey be carried out on this location. These surveys have now been instructed and will require site attendance.

The proposed accommodation mix as agreed with Housing will consist of houses and flatted dwellings with a total number of 18 units provided. A breakdown of types is shown below:

Flats (3 Storey)	Houses
1 bed 1 person x 6	2 bed 4 persons x 2 Semi
1 bed 2 persons x 6	3 bed 4 persons x 1 Terrace
	3 bed 5 persons x 2 Semi

2.1.2 Site 18 (Eastfield Drive, Penicuik)

The proposed accommodation mix as agreed with Housing for this site will be all traditional flatted dwellings with a total number of 18 units provided. A breakdown of the property types is shown on the next page.

Flats (3 Storey)	Houses
1 bed 1 person x 6	None
2 bed 3 persons x 12	

2.1.3 Site 42 (Jackson Street, Penicuik)

The confirmed accommodation mix as agreed with Housing for this site will consist of houses and flatted dwellings with a total of 14 units provided. A breakdown of types is shown below:

Flats (3 Storey)	Houses
1 bed 1 person x 6	2 bed 3 persons x 2 Semi
2 bed 3 persons x 3	
2 bed 4 persons x 3	

2.1.4 Site 2 (Woodburn Road, Dalkeith)

Progress continues on this site and to date, at present no homes are at a stage of handover.

The main construction contract was signed in the sum of £1.8M on August 2012. Work commenced in September 2012. The Home for Young Persons (1 home) will have an earlier than anticipated handover to Social Work in June 2013 and the main housing (14 homes) is due for handover over to Housing in August as programmed and on budget.

2.1.5 Site 37 (Eastfield Drive, Penicuik)

Progress continues on this site and to date, only 1 property has been handed over at site.

The main contract was signed in the sum of £8.1M on March 2012. Work commenced on site in March for ground remediation works and in April 2012 for the main contract comprising the Home for Young Persons (1 home) which is now in possession of Social work March 2013 and main housing/extra care housing (62 homes). Work onsite is due to continue until January 2014 as programmed and on budget.

3 Report Implications

3.1 Resource

All costs of employing the necessary members of staff required during the Life cycle of the programme are included in the overall development budget.

3.2 Risk

A programme-wide risk register was prepared earlier and will be maintained. Separate Risk Registers and Issues Logs for each of the individual Builds will also be utilised.

3.3 Single Midlothian Plan and Business Transformation

Theme addressed in this report:-

- Adult health, care 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 that avoids an increase to the end of 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 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

There are no IT issues relating to the recommendations contained in this report.

4 Recommendations

Cabinet is recommended to:-

- a. Note the progress on Phase 1 and 2.
- b. Note the progress on Sites 2 (Woodburn Road) and 37(Eastfield Drive).
- c. Note the progress on Sites 9 (Craigiebeld Crescent), 18 (Eastfield Drive) and 42 (Jackson Street) including House/Flat Types and planning submissions.
- d. Note progress on procurement for the Phase 2 Sites and agree the revised milestone dates with the overall programme.

14 May 2013

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Declaration Box

Instructions: *This box must be completed by the author of the report. The box will be copied and saved by the Council Secretariat who will delete it from the report prior to photocopying the agenda.*

Title of Report: *New Social Housing Progress Report Phase 1 and 2*

Meeting Presented to: *Cabinet*

Author of Report: *Ian Smith*

I confirm that I have undertaken the following actions before submitting this report to the Council Secretariat (Check boxes to confirm):-

- ☐ *All resource implications have been addressed. Any financial and HR implications have been approved by the Head of Finance and Human Resources.*
- ☐ *All risk implications have been addressed.*
- ☐ *All other report implications have been addressed.*
- ☒ *My Director has endorsed the report for submission to the Council Secretariat.*

For Cabinet reports, please advise the Council Secretariat if the report has an education interest. This will allow the report to be located on the Cabinet agenda among the items in which the Religious Representatives are entitled to participate.

Likewise, please advise the Council Secretariat if any report for Midlothian Council has an education interest. The Religious Representatives are currently entitled to attend meetings of the Council in a non-voting observer capacity, but with the right to speak (but not vote) on any education matter under consideration, subject always to observing the authority of the Chair.