

Proposed Affordable Housing Provision from External Developers

Report by Garry Sheret, Head of Property and Facilities Management

1 Purpose of Report

To propose acquisition of new sites from external developers for the Council building programme.

2 Background

2.1 Council Report, November 2018

The report to Council on 13 November 2018 recommended that Council “note the proposals to acquire houses from private developers”. In particular sites located at:

- Site 119 Shawfair site – Miller Homes Ltd (23 homes)
- Site 118 Shawfair site – Bellway (47 homes)
- Site 128 Shawfair site - Mactaggart and Mickel (48 homes)
- Site 134 Paradykes, Loanhead - Barratt Homes (25 homes)
- Site HS2/HS3 North/South Lasswade Road – Dandara Homes
- Site ref H46 – Wester Cowden – Bellway / Buccleuch Estates

2.2 Proposed Purchases

In order to achieve the target provision of 1,000 homes by 2022 it is proposed to purchase completed houses from external developers to achieve completed homes as soon as possible.

The development agreement to purchase the affordable housing provision from Miller Homes has been successfully concluded.

It is proposed to progress with the negotiation and purchase of completed homes, from the other active developers listed above, as part of the developers’ obligations to satisfy their Affordable Housing Section 75 contributions.

Officers will negotiate development agreements with the developers to ensure the mix of houses and specification meet Council needs, and thereafter monitor programmes and costs against the relevant negotiated development agreements. It is proposed to report back to Council on progress as part of future Council House Building Programme Updates.

2.3 Future Sites

Further affordable housing opportunities may arise from planning applications from external developers. These applications are being monitored to explore whether further attractive opportunities are available for future Council Housing. Should there be sites in addition to those listed in 2.1 a report to Council will be presented for approval before proceeding.

3 Report Implications

3.1 Resource

All the costs of employing the necessary members of staff will be included in the project budgets. Resources for the delivery of these negotiated sites will be met from the Housing Revenue Account and outlined in a separate future report.

3.2 Risk

The risk of failure to achieve the Council's target of 1,000 homes by March 2022 due to lack of available sites and availability timescales is being mitigated by the proposed purchase of sites, the purchase of completed houses from Developers and open market acquisitions.

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

Reviewing and utilising different procurement options in order to promote early delivery.

3.6 Involving Communities and Other Stakeholders

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

3.7 Ensuring Equalities

An Equalities Impact Assessment was completed for Midlothian Council's Strategic Housing Investment Plan 2018/19 – 2022/23. This document, which is updated annually, sets out all new affordable housing investment plans in Midlothian (including assessing need and demand for housing including specialist housing provision).

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

Building Information Modelling is being utilised to deliver the projects. Models exist for the Council's generic house types and flat types. It is proposed that external developers will be asked to replicate these models.

4 Recommendations Council is recommended to:

- a) Agree to the proposals to acquire houses from private external developers as set out in the report.

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