



COUNCIL EXECUTIVE

NEW BUILD COUNCIL HOUSING 2007-2011

REPORT BY HEAD OF HOUSING AND BUILDING SERVICES

A. PURPOSE OF REPORT

To update the Executive on progress with Phase 1 of the Council's new build housing programme and seek approval for a second phase of construction.

B. RECOMMENDATION

The Executive is invited to agree that;

- A second phase of around 452 new council houses for rent should be procured on the sites indicated (appendix 2)
- The organisations listed should be invited to tender (appendix 3)
- A detailed brief for development, design and housing mix for the houses should be prepared and agreed with the chair of the services for the community pdsp prior to issue.
- Submissions should be invited from appropriately qualified and experienced organisations to provide Employer's Agent and CDM Coordinator Services to the Council
- A further report be provided to the Executive on the outcome of the tendering exercise prior to a contract being placed.

C. SUMMARY OF IMPLICATIONS

I Council Values	Focusing on our customers needs. Making best use of resources.
II Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment)	Continues to meet with the new policy of direct Council provision of new build housing. The policy meets the requirements set out in the Prudential Code.
III Resources - (Financial, Staffing and Property)	Continuing provision will require to be made from the Housing Capital and Revenue Accounts.
IV Consultations	Internal Consultation with Financial

Management, Planning, Housing, Education and Property Services.

Services for the Community PDSP, 2nd February 2009 noted the terms of the report, with no adverse comments made and agreed that it be forwarded to the Council Executive for approval.

D. TERMS OF REPORT

Introduction

Council Executive agreed to the construction of 1,200 new homes for rent in West Lothian within the period 2007 – 2012. This will consist of two main funding streams - at least 500 houses will be provided through grant funding from the Housing Investment Division of the Scottish Government (details of projected numbers of 520 houses are listed in Appendix 1) and 700 new homes will be directly funded by West Lothian Council.

The Council Executive approved the first phase of construction of 248 new Council houses on 2nd September 2008. Work is now well underway on all four sites in Bathgate, Boghall, Livingston and Whitburn. The first house completions are expected in the summer.

Phase 2

Following discussion with all Service Units agreement has been reached on a recommended list of sites, which will have a combined capacity of 452 houses. The full list of sites and approximate capacities is contained in Appendix 2. The selection of sites reflects the high demand for affordable housing in the main settlements of Livingston and Bathgate. The proposals also include development of housing with care in Bathgate and construction of 7 bungalows associated with the respite unit in Uphall. These developments because of their specialist nature will be procured separately. It should be noted that site investigations have still to be carried out on the sites and it is possible that site capacities will change or a site may need to be substituted if there are major ground stability problems.

In order to meet the tight deadlines it is suggested that whenever possible, planning guidelines are prepared rather than development briefs (which involve extensive consultation). If the Council Executive approves the list of sites then the housing mix will be determined following consultation with housing management colleagues.

In tandem with new build site identification officers of the Council are also exploring options of direct purchase of units currently being built by private developers. A major factor in future discussion will be the discounted price offered relative to the average build cost of Phase 1. The outcome of these discussions will be reported back through the committee structures for a final decision. Purchase of units from private developers could be an option where any of the sites detailed in Appendix 2 prove undeliverable. In the current economic climate the Council, on a regular basis, is receiving offers to purchase land from developers or owners. Further opportunities may present themselves and it is suggested that if any proposal proves to be viable it should be brought to the Executive for further consideration.

Procurement Programme

The procurement process employed in securing the Phase 1 contract was successful in terms of the resultant competitive prices for the 248 homes.

It is proposed that the Council repeat the process of a developer led, two-stage design and build tender. The Council has already implemented the necessary OJEU procurement notices and financial checks have been made of all companies who have submitted notices of interest. It is proposed to issue tenders to a short list of 7 companies (listed in Appendix 3) who have the necessary experience and financial capability of undertaking such a large contract. It is also proposed that the Council will issue a tender for the Employers Agent for the next phase of council house building.

The suggested timing of the second phase would be as follows:

- | | |
|--|---------|
| • Issue Tender Document (site specific) | Feb 09 |
| • Tender Returns | May 09 |
| • Appoint preferred builder | July 09 |
| • Planning Applications/Finalise Contract /
Legal's Contract Award Notice to OJEC | Dec 09 |
| • Site start | Jan 10 |
| • Contract Completion | Dec 11 |

Resources

Provision has been made in the housing capital programme to fund this project. A bid has also been made for additional resources from the Scottish Government and this is covered in a separate paper being submitted to the Council Executive.

E. CONCLUSION

This second phase of new build Council housing will meet the targets of 700 new houses within the period of the current administration.

The method of procurement for Phase 1 resulted in a competitive tender and it is proposed to repeat the procedure.

F. BACKGROUND REFERENCES

Council Executive December 2008 Ten Year Housing Capital Investment Programme 2008/09 to 2017/18

Services for the Community PDSP May 2008 – New Build Council Houses

Council Executive April 2008 – Housing Capital Programme 2008/09

Council Executive 2nd September, 2008.- New Build Council Housing 2007-2011

PP and R Committee - June 2007 and January 2007 – New Build Housing 2007-2011

Appendices/Attachments: 3

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Date: 28th January 2009

APPENDIX 1

RSL	Project	Units
West Lothian Strategic Alliance	Eliburn E11, Livingston	24
West Lothian Strategic Alliance	Eliburn EN2D, Livingston	33
West Lothian Strategic Alliance	Bridgend Park, Bathgate	18
West Lothian Strategic Alliance	Beattie School, Craigshill	30
West Lothian Strategic Alliance	Ladywell R1B, Livingston	24
West Lothian Strategic Alliance	Blackburn Academy	68
Castle Rock Edinvar	Deans South, Livingston	56
Castle Rock Edinvar	West Calder Juniors	26
West Lothian Strategic Alliance	Etive Walk, Craigshill	23
West Lothian Strategic Alliance	Forth Drive/Don Drive, Craigshill	6
West Lothian Strategic Alliance	Stoneyburn Workshops	8
West Lothian Strategic Alliance	Ellen Road, Whitburn	14
West Lothian Strategic Alliance	Charles Crescent, Boghall	16
Castle Rock Edinvar	Elm Terrace, Blackburn	22
Castle Rock Edinvar	Langton Gardens, East Calder	20
Castle Rock Edinvar	Johnston Avenue, Uphall	14
Castle Rock Edinvar	Harburn Road, West Calder	12
West Lothian Housing Partnership	Glenalmond Court, Broxburn	28
West Lothian Strategic Alliance	Maple Grove, Craigshill	48
West Lothian Strategic Alliance	Wester Inch, Bathgate	24
Hanover H.A.	Bloom Court, Livingston	6
TOTAL		520

APPENDIX 2

SITE	LOCATION	AREA (Acres)	CAPACITY
Dixon Terrace - Phase II	Whitburn	6.50	58
Rosemount Court, Housing with Care	Bathgate	3.0	30
Individual Units at Respite Centre	Uphall	1.0	7
Eliburn East 24	Livingston	3.10	50
Inveralmond CHS Playing Field	Livingston	8.00	90
Little Boghead 6	Bathgate	10.00	150
Alderston Road, West	Livingston	5.20	35
Former Infant School site	Uphall Station	1.40	16
* ¹ Ferrier Crescent/Marches Drive	Armadale	1.40	16
TOTAL			452
Reserve Site			
* ¹ Ladeside Avenue	Blackburn	1.00	10

Clarifications: -

*¹ - Sites currently on Housing Revenue Account (HRA) but any development subject to satisfactory Site Investigation results

APPENDIX 3

List of Developers recommended for selection to proceed to submit proposals for Phase 2

Lovell Partnerships Ltd 271 Springhill Parkway Glasgow Business Park Glasgow G69 6GA	Wates Mackintosh House 5 Blythswood Square Glasgow G2 4AD
Gladedale (East Scotland) Ltd Stadium House Alderstone Road Livingston EH54 7DN	Ogilvie Construction Ogilvie House Pirnhall Business Park Stirling
Persimmon Ltd Partnerships Scotland 180 Findochty Street Glasgow GS3 5EP	Dawn Homes Ltd 220 West George Street Glasgow G2 2PG FK7 8ES
Miller Homes Ltd 2 Lochside View Edinburgh Park Edinburgh EH12 9DH	