

**NORTH LANARKSHIRE COUNCIL
REPORT**

To: HOUSING AND SOCIAL WORK SERVICES COMMITTEE	Subject: NEW COUNCIL HOUSE BUILDING PROGRAMME	
From: HEAD OF HOUSING SERVICES		
Date: 5 AUGUST 2010	Ref: EMCH/PH	

1. Purpose of Report / Introduction

The purpose of this report is to update committee on progress with the new council house building programme and seek approval for the arrangements to accept the tenders for the three projects that are currently out to tender

2. Background

- 2.1. In December 2007 the committee approved the council's first new build programme of 125 units. In February 2010 the committee approved proposals to increase the new build programme to deliver 500 houses over five years. The first phase of 20 units at Holytown is complete, work is progressing at Cambusnethan; Clarkston and Ravenscraig and the planning application for North Rd, Cumbernauld has been submitted.
- 2.2. Following a procurement process that complied with EU procurement rules, the committee previously approved the appointment of three contractors (Wates Living Space; Lovell Partnerships Ltd and Ogilvie) to a Framework Agreement to construct up to 250 houses. Each site would be tendered between these contractors in accordance with the Framework Agreement.
- 2.3. The committee previously noted that the council had been successful in securing £4.575m from the Scottish Government as a contribution towards development costs on a number of specific sites. A condition of funding is that projects start on site by end March 2011.
- 2.4. In April 2010 the committee approved the submission of a bid for £2.25m from the third round of the Scottish Government's 'Incentivising new council house building' fund. In July 2010 the Scottish Government confirmed the council was successful in securing funding of £1.05m for sites at Lanrig Road, Chryston and Coshneuk Rd, Millerston. It is a condition of this funding round that work should also commence on site by 31st March 2011
- 2.5. The committee previously noted a list of sites that the council was considering for potential development. This list requires to be further amended to reflect the increased size of the programme and the fact that some sites may prove to be unviable.

3. Proposals / Considerations

- 3.1. The tender for the next three sites has been issued to the Framework contractors. The sites are:
- Laburnum Rd, Viewpark (40 units)
 - Coshneuk Rd, Millerston (approx 10 units)
 - Gartferry Road, Moodiesburn (approx 50 units)
- 3.2. The estimated value of these contracts is £11.5m.
- 3.3. The tenders will be evaluated by a suitably qualified evaluation panel using the previously agreed 60% cost/ 40% quality split. The evaluation of the tenders should be completed by 10th September.
- 3.4. Prior to the acceptance and award of the construction contract, it is necessary to complete the pre-construction phase with the finalisation of the design proposals including obtaining all necessary statutory approvals and consents.
- 3.5. Taking account of the above, and to ensure projects commence on site by March 2011, it is proposed that the Executive Director of Corporate Services, in consultation with the Convener of Housing and Social Work Services, undertake the following actions:-
- Award the pre-construction phase to the successful contractor in accordance with the evaluation process
 - On satisfactory completion of the pre-construction phase, appoint the contractor for the construction contract, in accordance with the Framework Agreement.
- 3.6. In addition to those sites identified in 2.1 and 3.1 the sites currently being considered for potential inclusion in the new build programme are as follows:
- Blackwood, Cumbernauld
 - Lanrig Rd, Chryston
 - Manse Road, Shotts
 - North Biggar Road, Airdrie
 - Corsewall St, Coatbridge
 - Glencairn Tower site or Mabel St, Motherwell
 - Smithstone, Cumbernauld
 - Walkerburn Drive, Wishaw
 - Oakdene Ave, Tannochside
 - Fisher Ave, Kilsyth.
 - Westfield Drive, Cumbernauld
 - Belvidere Road, Bellshill

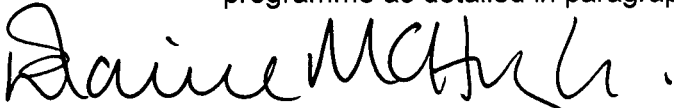
4. Financial / Personnel / Legal / Policy/ Equalities Implication

- 4.1. The funding for the contracts detailed in 3.1 is contained within the Housing Revenue Account.
- 4.2. The Executive Director of Corporate Services has been involved in the preparation of this report.

5. Recommendation

It is recommended that the committee:

- a) Approve the arrangements for the appointment of the successful contractor following the tendering process as outlined in 3.4 and 3.5, the outcome of which will be reported to a future Committee
- b) Note the updated list of sites currently being considered for inclusion in the new build programme as detailed in paragraph 3.6.



Elaine McHugh
Head of Housing Services
29 June 2010

For further information on this report please contact Pamela Humphries on telephone 01698 274174