

North Lanarkshire Council

Report

Housing and Regeneration Committee

approval noting

Ref PH/TM

Date 20/05/20

New Build Programme - Bank Street, Coatbridge

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Executive Summary

The purpose of this report is to seek approval to commence procurement for the redevelopment of the site at Bank street, Coatbridge utilising the Scotland Excel New Build Residential Construction Framework. The use of this framework is subject to benchmarking and best value being established and approval of the outcome by a future committee in accordance with Contract Standing Orders.

Recommendations

It is recommended that the Committee:

- 1) Agree to the commencement of procurement activity with Scotland Excel for the redevelopment of the site at Bank Street, Coatbridge. The project has been included in the New Supply Programme to provide 9 new homes for social rent and supported accommodation comprising 10 units for vulnerable young adults leaving care.

The Plan for North Lanarkshire

Priority Improve economic opportunities and outcomes

Ambition statement (1) Ensure a housing mix that supports social inclusion and economic growth

1. Background

- 1.1 The council has an approved programme to deliver 5,000 new homes by 2035. The delivery of such a large scale programme presents a number of challenges, not least of which is the procurement of contractors to build the houses to the required standard, within the timescale required and at a competitive cost. In order to increase the pace of delivery, secure best value and minimise risk to the council a range of procurement options have been utilised. These include competitively tendering projects through restricted procedure, the use of a national framework agreement between Scape and Wilmott Dixon, the use of the SPA Housing Construction Framework and more recently the use of Hub South West.
 - 1.2 The council has also participated in the establishment of a future new build framework through Scotland Excel, and a contract award has now been made and has been available for use from August 2019. The Framework is for the delivery of new build housing projects for local authorities, housing associations and other public bodies and includes a number of lots covering different geographical areas and different size of developments. North Lanarkshire is included in the framework as a separate geographical area.
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2. Report

- 2.1 Following consideration of available options it is proposed to obtain tender costs via competitive tender utilising the Scotland Excel new build residential construction frameworks to demolish the existing properties (excepting the façade retention), provide 9 new homes for NLC's social rented stock and supported accommodation comprising 10 units for vulnerable young adults leaving care.
- 2.2 The site is occupied by a derelict building comprising former ground floor shops and first floor flats as well as a former public house. The building is 'C' listed within a conservation area and is located in a prominent position at the main gateway to Coatbridge Town centre. The council owns all of the properties that will require to be demolished to enable the new build development to proceed. However, Historic Environment Scotland (HES) had originally requested that the entire building be refurbished but after negotiations have advised that they would agree to a compromise where the façade to the Public House must be retained. The structural engineer has confirmed that this can be achieved. A planning application was submitted on the 24th December 2019 with the final Supporting Statement regarding the façade retention being submitted on the 19 March. HES have advised that they are now satisfied with the level of information submitted in support of the application justifying the demolition and façade retention.
- 2.3 The design team has provided feasibility costs for the development and they are significantly higher than the average new build cost due to the abnormal costs of the demolition, including proximity to the railway line, and façade retention. However, due to its strategic location at the entrance to the town centre it is proposed to progress with this project subject to best value being demonstrated through the tender process. Should the final price be determined to represent best value then, subject to finalisation of a sourcing methodology including an options appraisal, this will be reported to Committee for approval prior to entering into a contract with the contractor.

3. Equality and Diversity

3.1 Fairer Scotland Duty

The new build programme has accounted for measures that will reduce inequalities of outcome via a number of activities relating to design parameters including:

- Housing for Varying Needs;
- Secure by Design;
- Achieving the Scottish Government requirements for Greener Homes to reduce the incidence of fuel Poverty;
- The inclusion of design standards relating to access to internet capabilities including 'fibre to the property'.

3.2 Equality Impact Assessment

An Equality Impact Assessment has been conducted for the Delivery of additional housing stock via the New Supply Team and the contribution to Local Housing Strategy, Strategic Housing Outcomes.

4. Implications

4.1 Financial Impact

The estimated cost of the development including demolition and a contingency allowance is £3,751,028. The project will be funded from the Housing Revenue Account, with a contribution from the council's composite capital programme (Town Centre Regeneration) towards costs of demolition and facade retention. It is anticipated grant funding will also be available from the Scottish Government.

4.2 HR/Policy/Legislative Impact

The contract will be awarded in accordance with the Council's Contract Standing Orders.

4.3 Environmental Impact

The works contract will ensure that the impact on the Council's carbon footprint is mitigated. The specifications incorporated within the contract documentation will: deliver reduced energy need; encourage sustainable construction; promote health and wellbeing; reduce waste and resources through effective storage, collection and composting of waste and recyclable materials and; include measures which will reduce CO2 emissions.).

4.4 Risk Impact

Risk associated with the New Supply Programme is managed within the New Supply Risk Register process. By undertaking detailed ground investigation and other relevant site assessments prior to proceeding with the development of any particular site, the council is mitigating the risk of unforeseen costs relating to ground conditions, although this risk cannot be eliminated entirely.

The design proposals and associated risks have been developed to address the proximity of the railway line to the new homes and the proposed facade retention. The design team have advised that these risks can be managed and have been costed for, with contingencies in place to account for any unforeseen costs

5. Measures of success

- 5.1 The measure of success will be the cost effective delivery of the council's new supply programme which aims to deliver 5,000 homes by 2035
- 5.2 The project will also contribute to the regeneration of the town centre which is one of the main priorities within the council's Economic Regeneration Delivery Plan
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6. Supporting Documents

None



Pamela Humphries
Head of Planning and Regeneration