

Report to: Executive Member for Housing
Neighbourhood and Regulation

Date: 30th March 2010

Report of: Director of Development and
Regeneration

Report No:

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Report Title: Hollin Hey Council Housing New Build Programme

**Confidential /
Non Confidential:**

This report does **not** contain information which warrants its consideration
in the absence of the press or members of the public

Purpose:

Recommendations:

Decision:

Background Doc(s):

“Housing New Build Programme” Executive Member for Housing
Neighborhood and Regulation Report 30 June 2009.
“Council Housing New Build Programme Round 2” Executive Member for
Housing Neighborhood and Regulation Report 24 November 2009.

(for use on Exec Rep)

Signed:

Leader / Executive Member

Monitoring Officer

Date:

1. Summary

- 1.1 This report sets out recent developments regarding the LA New Build Round 2 Programme, Design Street, and seeks approval for a substitute scheme.

2. Background

- 2.1 On 20th October 2009 the Executive Member approved the following action under the Council's emergency powers procedure:
- i. Authority for the Director of Development and Regeneration Department to submit a bid to the HCA under the Council House New Build Round 2 programme for Design Street Bolton, consisting of 8 four bedroom houses;
- 2.2 Following the unsuccessful outcome at Planning Committee on 18 March 2010, the Design Street scheme will no longer be progressed.
- 2.3 In order not to lose the opportunity to develop much needed affordable housing a proposal for a substitute scheme has been put to the Homes and Community Agency (HCA). The HCA have confirmed that they will consider a substitute bid for the current Design Street allocation. This is on the understanding that the substitution bid will be for no more funding than currently allocated and that it will satisfy LA New Build Round 2 criteria, in particular that delivery on site will be swift.
- 2.4 As part of the Transforming Estates New Build project, a potential development opportunity was being explored in partnership with Great Places Housing Group, for a site on Hollin Hey Road, Bolton. This former public house site has recently returned to Council ownership, and has previously been identified by local Ward Members as having residential development opportunity. The site is previously developed land and has also had planning approval in the past for apartments. Given that the site in its current form is a blight in the neighbourhood and is available for residential development it is proposed that a scheme of 9 homes be put forward as a substitute bid.
- 2.5 A key requirement for the development to secure HCA funding will be the ability to deliver a start be on site this calendar year.
- 2.6 The HCA require all applicants bidding for monies to have developer status or to submit their bids in partnership with an organisation with developer status. It is proposed that the Council, therefore, submit its substitute bid in partnership with Great Places Housing Group Limited ("Great Places") and in accordance with the HCA's Pre Qualification Questionnaire guidance.
- 2.7 The grant conditions imposed by the HCA in respect of the Council House New Build programme contain some very challenging delivery timescales. The building contractor for the original scheme allocation had to be on site by 21 June 2010 and the project completed by May 2011. Therefore, it is essential that there are no unnecessary delays in procuring suitable contractors to deliver the design and build of the project.
- 2.8 Therefore not to lose the grant funding and the delivery of affordable housing it is proposed that Great Places, with its HCA developer status, be appointed as the Council's Development Agent and will, therefore, be responsible for the procurement of all necessary works and services, including but not limited to an architect, an employer's agent, a cost consultant, site investigations and a building contractor. The value of the works contract awarded to Great Places is approximately £1.3m with an estimated £1.1m being needed for the building works.

- 2.9 It is intended that Great Places will procure all necessary works and ancillary services under framework agreements, which it tendered in accordance with the Public Contracts Regulations 2006. A mini competition will be held between the contractors appointed to each framework and the Council will be involved in both drafting the brief to tenderers and in the evaluation of the tenders submitted.
- 2.10 The Council will work closely with Great Places throughout the life of the project to monitor procurement of all necessary contractors and the project management work to be carried out by Great Places and to ensure that the Council complies with the grant conditions imposed by the HCA.

3. Recommendations

- 3.1 Authority for the Director of Development and Regeneration to submit a substitute bid to the HCA under the Council House New Build Round 2 programme for Hollin Hey Street Bolton, consisting of circa 9 houses in partnership with Great Places.
- 3.1 Authority for the Director of Development and Regeneration and the Director of the Chief Executive's Department to complete final negotiations with Great Places Housing Group Limited and formalise contractual relations, under which Great Places will:
- b. act as project manager;
 - c. procure all necessary works and services under its existing framework contracts.
- 3.2 Authority for the Director of the Chief Executive's Department to carry out all necessary legal formalities.