

Central Bedfordshire Council

Executive

8 January 2018

Tendering and Award of contract for the Potton Road, Wrestlingworth Project

Report of: Cllr Eugene Ghent, Executive Member for Assets and Housing eugene.ghent@centralbedfordshire.gov.uk

Responsible Director(s): Marcel Coiffait, Director Community Services marcel.coiffait@centralbedfordshire.gov.uk

This report relates to a decision that is Key

Purpose of this report

The report proposes that the Executive authorise the Director of Community Services, in consultation with the Executive Member for Assets and Housing Delivery, to tender the contract for construction of The Potton Road, Wrestlingworth Project. The report also proposes that the Executive delegates authority to the Director of Community Services, in consultation with the Executive Member for Assets and Housing Delivery, to award the contract for the construction of The Potton Road, Wrestlingworth Project.

RECOMMENDATIONS

The Executive is asked to:

- 1. approve the proposed approach and tender of the contract for the construction of The Potton Road, Wrestlingworth Project and delegate authority to the Director of Community Services, in consultation with the Executive Member for Assets and Housing Delivery, to tender the contract; and**
- 2. delegate authority to the Director of Community Services, in consultation with the Executive Member for Assets and Housing Delivery, to award the contract for the construction of The Potton Road, Wrestlingworth Project so long as the tender cost do not exceed the Business Case budget.**

Overview and Scrutiny Comments/Recommendations

1. The item has not been presented to Overview and Scrutiny but has been brought to the attention of the Chairs of the Corporate Resources and the Social Care Health and Housing Overview and Scrutiny Committees, who agree it does not need consideration by the Scrutiny Committees.

Issues/background

2. A Housing Needs Survey was carried out by Wrestlingworth and Cockayne Hatley Parish Council in April 2018, which identified a need of 8 semi-detached houses in the Wrestlingworth area.
3. The Future Investment capital programme within the Housing Revenue Account (HRA), has been designed to deliver expansion and improvement to the property portfolio. It focuses on building new homes using a variety of tenure, primarily affordable rent and shared ownership, with an initial priority being the construction of Independent Living Schemes. As with the Stock Protection Business Case, the Future Investment programme has been designed to contribute to the Council's priorities, enhance the asset value of the housing portfolio and meet tenants' expectations.
4. The programme maximizes the opportunities afforded by the Self-Financing regime, grant funding and other funding opportunities if, and as, they arise. By its nature development and regeneration are long term, complex projects. Commitment to long term investment in a regeneration area, flexibility in delivery and funding is critical.
5. It is anticipated that as the pipeline of schemes develops, delivery will be flexed as circumstances, and funding opportunities present themselves.

Proposals

6. The proposed development is for a new 8-unit Housing Scheme with associated access, parking and landscaping on a current greenfield site owned by Central Bedfordshire Council. Accommodation will be predominately for households currently living in the immediate area. Six houses will be available for affordable rent and two for shared ownership.
7. The Housing Service commenced scheme preparations in 2016, based on 6 semi-detached units, but this was increased to 8 housing units following completion of the Housing Needs Survey in April 2018. Pre-application advice sought in 2017 confirmed that the construction of eight (8) dwellings in this location was considered acceptable in principle if the scheme provided 100% affordable housing.
8. The current programme indicates a tender period commencing on 19th February 2019 through to 18th March 2019. This is intended to be followed by an award of contract for construction on 2nd April 2019.

9. The budget noted in the Business Case is for the design and construction cost. The preferred option that provides maximum benefit to the Council would be to deliver two houses for share ownership and six for affordable rent. Initial design proposals meet the space standards within the Central Bedfordshire Design Guide.
10. Tendering of the contract is proposed to follow Stage 4 of the project, Technical Design, on 18th February 2018. Award of the contract for construction is proposed to immediately follow submission and review of the Tender Report, assuming the tender sum is within agreed funding which is set out in the Detailed Business Case. This item is being submitted to Executive in anticipation of the approval of the Detailed Business Case, and tender action will only take place if the Detailed Business Case is approved.

Reason/s for decision

11. The delivery of affordable housing to meet local needs is consistent with the local housing needs survey undertaken by the Parish Council and any delay may risk completion to programme timeframes.
12. Should tender costs exceed the business case budget, the project will not proceed. This, however, cannot be ascertained without progressing the tender process.

Council Priorities

13. The proposals support the priorities: Enhancing Central Bedfordshire, Protecting the vulnerable; Improving well-being, and Creating stronger communities.
14. The new development will provide 8 affordable houses contributing to the Council's commitment to housing for Central Bedfordshire. Homes will be well maintained, warmer, and easy to manage and maintain. Homes will be designed to help meet the needs of older people and those with disabilities.

Corporate Implications

Legal Implications

15. Section 2 of the Local Authorities (Land) Act 1963 confers power upon local authorities to erect buildings and to construct or carry out works for the benefit or improvement of their area.

Financial and Risk Implications

16. Details of the Finance and Risks Implications are outlined in detail in exempt Appendix A.

Equalities Implications

17. Central Bedfordshire Council has a statutory duty to promote equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and foster good relations in respect of nine protected characteristics; age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. The proposal will have a positive impact by helping to increase access to affordable housing.

Conclusion and next Steps

18. Subject to Executive approving the recommendations in this report, once the tender process has been completed the Council will award the contract as appropriate and proceed to construction. This will enable the project delivery to be maintained.

Appendices

Appendix A – Financial and Risk Details

Background Papers

None

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