

**Report of Chief Officer – Housing Management
Report to Director of Resources & Housing**

Date: 20th March 2019

Subject: Kidacre Park, Kidacre Street, Leeds

Are specific electoral wards affected? If yes, name(s) of ward(s): Hunslet and Riverside	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Summary of main issues

1. City Plans Panel at their meeting on 28th July 2016 approved an application to utilise a council owned site at Kidacre Street, Beeston for temporary Gypsy and Traveller use on a 10 year basis
2. The development of new Gypsy and Traveller Provision in the city is identified as a priority in the cities Core Strategy.
3. As part of the development a number of previously unknown constraints which included a buried railway tunnel, unidentified ground voids and delays to the programme due to the installations of mains services incurred both additional costs and delays to the programme.
4. The increases in costs have been captured within the existing scheme budget, however approval and authority is sought to transfer an additional sum from the main scheme budget to the Highways Framework Contract to pay for the above additional groundworks.

Recommendations

That the Director of Resources and Housing approves and authorises the transfer of £140k from the Kidacre Park main budget to Highways Works Term Contract to cover additional ground works & improvements undertaken as part of the Kidacre Park scheme.

1. Purpose of this report

- 1.1 To seek approval to transfer £140k from the existing Kidacre Park budget to the Highways Works Term Contract fund the additional Groundworks & Improvements undertaken as part of the Kidacre Park scheme.

2. Background information

- 2.1 City Plans Panel at their meeting on 28th July 2016 approved an application to utilise a council owned site at Kidacre Street, Beeston for temporary Gypsy and Traveller use on a 10 year basis.
- 2.2 The development at Kidacre Street (now known as Kidacre Park) includes highways improvement works new access roads, a new surface water and foul drainage systems, lighting, main water and electricity installations, new fencing gates and 8 modular housing units
- 2.3 Executive Board in September 2016 approved a recommendation to utilise £742,250 worth of Commuted Sums to help fund this development.
- 2.4 The Director of Environment and Housing approved the transfer of the £176k HCA grant to be utilised at Kidacre Street in November 2016.
- 2.5 In June 2017 The Chief Officer Property and Contracts approved a report to authorise Highways & Transportation Service to procure and implement the ground investigation and main civils works for Kidacre Street Gypsy & Traveller development via the current Highways Works Term Contract with a scheme cost of £490k being identified for these works.
- 2.6 As part of the development it was established that 1 of the identified residents has mobility needs and such both the amenity building pitch and the associated highways into the scheme should be DDA compliant. As part of these works the Director of Resources and Housing in February 2019 approved a report authorise the transfer of £141k from the Disabled Facilities Grant to the Kidacre Street scheme.

3. Main issues

- 3.1 The subject site at Kidacre Street was a former waste management depot which had been vacant for a number of years.
- 3.2 Given the condition of the site a large amount of materials were graded and reutilised on the site to reduce the Carbon Footprint & need for disposal of surplus materials to Landfill.
- 3.3 However as part of the programme a number of unknown constraints which included a buried railway tunnel, unidentified ground voids and delays to the programme due to the installations of mains services both incurred additional costs and delays to the programme.
- 3.4 In addition to these unexpected works the scheme required variations to the design to both respond to these works and create a more cost effective design.
- 3.5 Alongside this part of the scheme was redesigned to suit the disabled needs of one of the future residents.

- 3.6 The above works have resulted in the Highways Works Term Contract programme costs increasing from £490k to £677k.
- 3.7 As part of the projects teams desire to demonstrate Value for Money officers have met and value engineered the costs to reduce the contract term to £630k.
- 3.8 These additional costs can be absorbed into scheme budget which already has existing Authority to spend via the reports mentioned in points 2.3 – 2.6.
- 3.9 The scheme is now completed & residents moved onto the development in December 2018.

4. Corporate considerations

4.1 Consultation and engagement

- 4.1.1 Executive and Local Ward Members were consulted as part of the September 2016 Executive Board report. Given that the requested transfer of fees are captured within existing authority to spend no further consultation has taken place with members.
- 4.1.2 City Plans Panel approved the scheme at their meeting on 28th July 2016.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 An Equality, Diversity, Cohesion and Integration Screening document has been considered and completed.
- 4.2.2 It is considered that the recommendation will not have any negative implications for equality groups

4.3 Council policies and best council plan

- 4.3.1 The development of Kidacre Park supports the ambitions as set out in the Best Council Plan by providing enough homes of a high standard in all sectors and contributes towards the delivery of the Best Council Plan outcome of everyone in Leeds to live in good quality, affordable homes within clean and well cared for places.

4.4 Resources and value for money

- 4.4.1 A Multi-disciplinary team of officers from Regeneration & Highways have met to review the scheme and have value engineered the costs from £677k to £630k.
- 4.4.2 Officers are satisfied that given the unexpected level of additional works, the revised designs and delays incurred from main services the £630k Highways Term contract is accepted and reasonable.
- 4.4.3 There is sufficient budget within the programme and existing authority to spend to absorb these fees.

4.5 Legal implications, access to information, and call-in

- 4.5.1 As part of the ground works Highways appointed Colas to complete the works via an existing Highways framework agreement.
- 4.5.2 Colas have now completed the works and have submitted their final bill for approval. Should the report not be approved this may result in Colas seeking additional fees for late payment.
- 4.5.3 Approval and authority to spend and secure the budgets for this scheme have already been sought and approved in reports listed in points 2.3 to 2.6.

4.6 Risk management

- 4.6.1 Throughout the programme Highways have worked closely with Colas to ensure key milestones and stage payments have been adhered to.
- 4.6.2 Should the report not be approved there is a risk that Colas could seek compensation for late payments.
- 4.6.3 As Colas are on the Highways Framework Contract it is also considered that non-payment after lengthy value engineering discussions could result in reputational damage to the council

5. Conclusions

- 5.1 City Plans Panel at their meeting on 28th July 2016 approved an application to utilise a council owned site at Kidacre Street, Beeston for temporary Gypsy and Traveller use on a 10 year basis.
- 5.2 As part of the programme a number of unknown constraints which included a buried railway tunnel, unidentified ground voids and delays to the programme due to the installations of mains services both incurred additional costs and delays to the programme.
- 5.3 In addition to these unexpected works the scheme required variations to the design to meet the needs of a disabled tenant was requested.
- 5.4 These additional fees resulted in the Highways groundwork costs rising from £490k – £677k. Following detailed Value Engineering discussions the contract sum has been reduced to £630k.
- 5.5 There is sufficient budget within the programme and existing authority to spend to absorb these fees.
- 5.6 The scheme is now completed with residents moving onto the site in December 2018.

6. Recommendations

- 6.1 That the Director of Resources and Housing approves and authorises the transfer of £140k from the Kidacre Park main budget to Highways Works Term Contract to cover additional ground works & improvements undertaken as part of the programme.

7. Background documents¹

7.1

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

