



Report of: Council Housing Growth Programme

Report to: Director of Resources and Housing

Date: 20th December 2019

Subject: Procurement of a Design and Build Contract via the Scape framework to deliver new build Council Housing at Oldfield Lane

Are specific electoral wards affected? If yes, name(s) of ward(s): Farnley & Wortley	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Has consultation been carried out?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Will the decision be open 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

1. Main issues

- This report seeks approval for the recommended procurement route to provide new build council housing at Oldfield Lane. The site forms part of the Council Housing Growth Programme (CHGP).
- A report to Executive Board in November 2018 approved funding to deliver c358 new build council homes, across 7 sites in Leeds, including the one at Oldfield Lane. Executive Board delegated subsequent decisions regarding the final funding mix for each of these housing schemes, and authority to procure & award contract for each scheme to the Director of Resources and Housing.
- The council has assessed a range of procurement options for the new housing development at Oldfield Lane and has determined that a single contractor direct call off via the Scape procurement framework is the most appropriate route, as it offers a number of features and benefits which are especially relevant in the context of this specific scheme. These are set out in this report.

- This will require authority from the Director of Resources and Housing to waive CPR 3.1.5 so that the Council Housing Growth team can deliver this scheme through a different approach than the usual arrangement through the YORBUILD2 framework.
- The report further requests Director Approval to proceed to appoint Wilmott Dixon (via direct call off from Scape Framework) to undertake the feasibility exercise for this scheme, with a view to entering into a Pre-Construction Services Agreement (PCSA) following successful completion of the feasibility (subject to a separate report) and then a subsequent report to enter into an NEC 3 Construction Contract.
- A further report will be submitted in due course to outline the results of the feasibility phase and to seek approval to award the construction contract, if appropriate.

2. Best Council Plan Implications

- Housing is one of the Best City priorities as set out in the Best Council Plan, and the Council Housing Growth Programme will directly support the following priorities by delivering additional social housing stock:
 - a. Housing of the right quality, type, tenure and affordability in the right places
 - b. Minimising homelessness through a greater focus on prevention
- The Programme will also directly contribute to ensuring that “everyone in Leeds Live(s) in good quality, affordable homes, in clean and well cared for places” which is one of the target outcomes set out in the Best Council Plan.

3. Resource Implications

- In November 2018, Executive Board approved an investment of c£55m to deliver c358 new council homes. On 27th February 2019, Full Council approved a further injection of £90.9m into the Council Housing Growth Programme. The Council House Growth programme now has total approved funding available of £221m as at September 2019 and incorporates sufficient funding to meet the costs of delivering the Oldfield Lane development.

Recommendations

The Director of Resources & Housing is requested to:

- a) Grant approval to appoint Wilmott Dixon via direct call off from the Scape Framework to undertake the feasibility exercise in relation to Oldfield Lane, noting that this is at no cost to the council with the exception of any survey costs or other third party consultancy costs incurred with our prior agreement.
- b) Delegate approval to Head of Council Housing Growth Programme, as per the scheme of delegation, to approve any costs incurred through the feasibility stage for surveys or third party consultancy costs.
- c) Note that a further report will follow to outline the results of the feasibility phase and to seek Director Approval to award a Pre-Construction Services Agreement, if appropriate with a further subsequent report for approval to spend and to enter into a NEC 3 Construction Contract.

- d) Note that a further report will follow to seek Director approval to complete on the site acquisition, subject to satisfactory surveys and planning approval being obtained].

1. Purpose of this report

- 1.1. To seek approval from the Director of Resources & Housing to appoint Wilmott Dixon via direct call off from the Scape Framework to undertake the feasibility exercise in relation to Oldfield Lane, with a view to awarding them the construction contract (subject to satisfactory outcome from the feasibility study).

2. Background information

- 2.1. The council has set itself a challenging target to deliver a minimum of 300 new council homes a year going forward on an ongoing basis as part of our direct contribution to an overall affordable housing target of 1,230 homes p.a. across the city from 2019.
- 2.2. A report to Executive Board in November 2018 approved funding to deliver c358 new build council homes, across 7 sites in Leeds, including the one at Oldfield Lane. This site, the former Oldfield Lane sports pitch was one of those identified through the city's Site Allocation Plan (SAP), as potential locations across the city for social housing developments.
- 2.3. The council recognises that finding suitable land which could potentially be listed for inclusion is never easy, but the council felt that the land at Oldfield Lane was appropriate, given it had not been in use for 14 years and was previously identified for housing.
- 2.4. The Council has set out its commitment to use the new financial freedoms to build much needed council homes across the city to meet the significant housing need that exists. Despite the large building programme currently underway, we still lose between 550-600 homes to right to buy applications annually and we are and will continue to seek to deliver at least 300 new homes per year to try and offset this and ensure that those in the greatest need can access affordable rented housing.
- 2.5. The site is partially owned by the council, with the remainder owned by the Leeds Schools' Sports Association (LSSA). The council has agreed terms to purchase the remainder of the site from LSSA subject to satisfactory surveys and securing planning approval.
- 2.6. The council has set out proposals to acquire this land for social housing use only, the cost of which would be recovered through rent. All appropriate procedures and checks were carried out as part of this assessment, which included around land ownership. If the site is not acquired by the council for this purpose, another developer is entitled to bring forward a plan to build housing on the site, as it is included in the SAP plan. Any planning application brought forward by the council in the future for the land will be subject to a full and public consultation.
- 2.7. Whilst the SAP allocation indicates a maximum number of 61 new homes could be built on the site, the council intends to develop a fully compliant scheme of around 47 new homes which seeks to maximise green space provision on site, extending the existing area of greenspace to the north and creating a green link through the scheme from Oldfield Lane (as stipulated by the SAP).
- 2.8. An indicative capacity study has been developed and would incorporate the following house types

No. of homes	Property type	Notes
2	2 bed/4 person bungalow	M43 fully wheelchair compliant
24	2 bed/4 person homes	M42 accessible home – general needs
17	3 bed/5 person homes	M42 accessible home – general needs
4	4 bed/7 person homes	M42 accessible home – general needs
47 homes		

3. Main issues

Procurement options appraisal

- 3.1. The council has embarked on its largest programme of new build construction for many decades at the end of 2018. As reported to Executive Board in June 2019, the council currently has a total programme of just under 600 new homes at various stages of procurement and construction.
- 3.2. In order to deliver such a large programme, the council has carefully considered the procurement options open to it and undertaken a series of market engagement events and consultations to ensure that delivery can secure competition, value for money, build quality and design excellence. At the same time we have looked at ways of spreading delivery risk and working with a range of contractors to ensure we can deliver the programme in line with our target of 300 new homes every year.
- 3.3. The council has predominantly utilised the Yorbuild2 procurement framework to deliver its programme over the last few years. This provides the council with a group of pre-qualified, experienced contractors who can deliver our requirements using a standard methodology and evaluation process. Under Yorbuild2 we have tended to utilise a 2 stage tender process to encourage a range of bidders to compete to win schemes. A number of our current schemes in construction and those going through procurement have used that approach.
- 3.4. However the council considers each potential scheme on its own merits, and also regularly reviews its wider procurement strategy to take on board lessons learned from previous schemes, as well as feedback from the market and industry intelligence. Adopting a range of procurement approaches and frameworks will also help us 'widen the net' and ensure we are reaching the widest possible range of potential contractors.
- 3.5. Recent market feedback indicates that potential bidders might be deterred from bidding for smaller schemes such as this one under a 2 stage tender process, due to the timescales perceived with a longer process, prohibitive costs of bidding at risk

compared to the value of contract on offer. This has been true of recent schemes which involve much larger contract values than at Oldfield Lane.

Procurement approach

3.6. Having considered the options available to the two stage tender process the council has identified that the best option recommended for this scheme would be **a single contractor direct call off from a pre-qualified framework**. The primary reasons for selecting a direct call-off arrangement in this case are

3.6.1. **Improved collaboration** - Direct call offs offer the opportunity to work collaboratively with the contractor on design development in a way that isn't possible during a two stage tender process, and means we will be able to work with the architects to encourage design innovation.

3.6.2. **Improved risk management** - Collaboration and a one team approach to working with the contractor from outset will facilitate joint identification and understanding of risks, joint development of the delivery programme, and a shared understanding of costs, and this should result in less changes during the later stages.

3.6.3. **Reduced timescales** - The direct call-off process saves time in procurement and delivery timescales which will help the council commit funding under the retained RTB receipts programme. Substantial amounts of funding are at risk of being handed back to Government this year and next, so optimising the delivery programme is also a key driver in arriving at the recommended procurement route for Oldfield Lane. The direct award process facilitates accelerated access and engagement with the contractor

Scheme specific factors

3.7. In addition the scheme at Oldfield Lane has a number of scheme specific factors which have been taken into account in the procurement options appraisal which are set out below;

3.7.1. **Design** - The council wishes to play a central role in steering the design for the scheme. Maximising and optimising the on-site green space provision is a key consideration for this scheme and Oldfield Lane will also be a pilot for our enhanced requirements around Biodiversity. This scheme will pilot enhanced requirements around biodiversity and social value and being able to work on these collaboratively with the contractor will be beneficial in terms of helping us ensure the best possible outcomes for the scheme.

3.7.2. **Engagement** - Another key requirement for this scheme is the need for a contractor with a proven track record in relation to engagement and consultation. Effective community engagement and consultation will also be a critical success factor for this scheme and therefore it is imperative that the contractor selected has a proven track record in this respect.

3.7.3. **Social value** - The council is seeking to maximise the social value impacts to be derived from the scheme, maximising the 'Leeds Pound' and ensuring as far as possible that local supply chains are utilised, and the local community benefits from the development.

3.7.4. **Timescales** - In view of the immediate pressures on retained RTB receipts, and the substantial amounts at risk of being handed back to MCHLG this year and next, optimising the delivery programme is also a key driver in arriving at the recommended procurement route for Oldfield Lane.

Framework selection

3.8. In this scheme, the council has decided that the best framework available to provide a single contractor via a direct appointment is the Scape framework which provides full compliance with EU procurement regulations and has been through a rigorous, competitive tender process to deliver construction projects between £2m and £20m, with Wilmott Dixon being the appointed contractor.

3.9. The programme team recommends we utilise a direct call off process, via the Scape Framework, and that we appoint Wilmott Dixon as the contractor for this scheme for the following reasons:

3.9.1. **Active management** - the Scape framework offers an additional layer of active management and support to address critical success factors including time, cost, quality/defects, SME engagement, health and Safety (RIDDOR), Employer/Client/Supplier satisfaction and social/environmental/economic benefits including fair payment.

3.9.2. **Targets and KPIs** - Specific targets are set for local labour, local spend and engagement and spend with SMEs and micro-businesses, to make sure that the maximum benefit of the capital expenditure is felt within the local community. The Scape Key Performance Indicators (KPIs) are measured and reported on every project monthly, and this information is available to clients via an online portal.

3.9.3. **Performance audit and review** - In terms of ongoing checks, Scape undertakes audits to ensure all the contractor obligations are being met, and offer support with monthly and quarterly performance monitoring. A formal annual review is also performed by Scape to check compliance with and review evidence of key actions/legal requirements.

3.9.4. **Supply chain** - The council will be able to influence the supply chain procurement, which means we can influence factors such as stipulating requirements for local supply chain and ensure that our social value outcomes are central to the scheme and all opportunities to maximise the Leeds Pound are taken.

3.9.5. **Timescales** - The Scape Framework offers guaranteed timescales for certain elements of the process. It is anticipated that adopting this procurement route will enable us to bring the scheme forward considerably quicker than alternative procurement routes could. An expedited procurement route will also bring both programme and budget benefits, and working collaboratively with the contractor from the outset should also lead to a more robust programme both parties have contributed and committed to.

3.9.6. **Pricing, value for money and cost certainty** - In terms of pricing, value for money, and cost certainty, the Scape offers the following benefits:

- Free Feasibility Studies - to agree client and contractor expectations for the project in terms of time, scope of the works and cost. This is done at contractor's risk (unless additional services are required e.g. surveys). One of the benefits of Scape

is that the contractor undertakes the feasibility stage at no cost (with the exception of any surveys requested by LCC). At the end of the feasibility stage a 'market-informed' viability cost estimate will be provided for the scheme and a further DDR will be submitted to seek Director approval to proceed and to award the construction contract.

- Many of the core elements that make up the final contract sum, for example pre-construction costs, preliminaries, fees, hourly rates etc are fixed. The remaining project costs are sub-contracted work packages that are locally tendered open book to a managed supply chain to ensure competitive tensions are maintained, by effective price benchmarking and cost targeting to achieve value for money. It balances quality with cost, not just lowest priced tendering.
- The framework rates benefit from economies of scale and reflect the collective buying power of a long term partnering arrangement

3.9.7. Scape's delivery partners have made specific Framework or Project commitments. The relevant ones are set out below:-

Social Value Return

NCF Framework Lot	Social Value Commitments
Major Works England and NI	<ul style="list-style-type: none"> • 10-15% Social Return on Investment on each project • 95% SMEs on every project • EarlyPay system which pays up to five days in advance of GFP guidelines, without a fee to supply chain partners.
Major Works UK	<ul style="list-style-type: none"> • Develop a 4-year Social Enterprise Fund • Target cumulative spend of £2.4m with Social Enterprises • Use Community Insights Reports, the Social Value Portal to measure the Employment Skills Plan and provide a Project Impact Review on every project • Employ at least 1 Social Enterprise on every project

Wilmott Dixon Project Commitments

Project Commitments

- 1. Surety Programme:** guaranteeing feasibility proposals.
- 2. Social Value Account:** 10-15% SROI
- 3. Defect free:** on all projects.
- 4. BIM Level 2:** on 100% of projects.
- 5. SMEs:** 95% on every project.
- 6. 25% time saving:** on all NCF project programmes.
- 7. IMPACT tool:** offered to all clients.
- 8. Environmentally sustainable:** via our 10 point plan on every project.
- 9. Government Fair Payment.**
- 10. 4Life Academy pop ups:** on every project.

3.10 Funding

3.10.1 The Council House Growth programme has total approved funding available of £221m as at September 2019 and incorporates sufficient funding to meet the costs of delivering the Oldfield Lane development.

3.10.2 The costs may be funded using either retained Right to Buy Receipts, or Homes England Grant, blended with HRA borrowing. The ultimate decision about whether to apply RtB receipts, which can be used to fund up to 30% of the total scheme costs, or Homes England Grant (which would be fixed per unit) will be dependent on an assessment of which would be most beneficial for the council.

3.10.3 Given the pressures on retained Right to buy receipts in the current year it is likely that the council will opt to support this scheme with RtB Receipts. However a recommendation on this will follow in the subsequent report requesting Director approval to award the construction contract.

4. Corporate considerations

4.1 Consultation and engagement

4.1.1 The Oldfield Lane site was originally identified as a potential scheme for the council housing growth programme as part of a bid for funding to Government in July 2018. Executive Board approved its inclusion in the programme in November 2018.

4.1.2 **Elected Members** –Local ward members have been consulted about the site development proposals on a number of occasions and provided with updates in relation to proposals for the Council to acquire the part of the site owned by LSSA. The most recent meetings took place in March 2019. Members are opposed to development of the site for housing, although they acknowledge its status under the SAP. Officers have also advised local members in relation to green space improvements which could be delivered both within the scheme boundary and also in the wider Farnley & Wortley ward area using the planning contributions from the scheme.

4.1.3 The Executive Member for Communities has been consulted and is supportive of this scheme.

4.1.4 To support the delivery of this scheme, the Housing Growth Team will engage with local members at the following points in the scheme development/ procurement process:

- Design Brief – Briefing on the design brief for the site and any constraints.
- Design Development – Site specific briefings will be arranged with the contractor's architect upon appointment of the successful bidder and prior to planning submission.
- Contract Award – Briefings will be held to inform local members about the decision.
- Construction Phase – Local members will be informed of the start on site date and briefed on progress regularly throughout the construction phase.

4.1.4 **Community** – The council is aware that some members of the local community are opposed to the development of the site for housing and wish to see it retained for use as a sports or recreation facility. A number of letters have been sent to the local council MP and to elected members on Executive Board and responded to over the last 12 months. There has also been an online petition and local activity on the site

involving members of the community who wish to see it returned to use as a sports field.

- 4.1.5 A deputation was received from the group representing those interests, which confirmed their opposition to the development of the site and considered at full Council on 11th September 2019. The deputation response was published on 7th November 2019.
- 4.1.6 The Council has previously confirmed that it intends to proceed to acquire the remainder of the site from Leeds School Sports Association and intends to appoint a contractor to develop the site for new council homes in the coming months. The council is aware of concerns which have been raised around the quality of playing provision in the area and is extremely open and willing to working closely with local representatives and residents around what options are available to potentially enhance sporting facilities at other locations in and around the ward.
- 4.1.7 The Council has further confirmed that any future housing proposals will be subject to consultation and that local consultation events will be arranged prior to submission of the planning applications. Pre-planning meetings will be held with officers from Planning, Highways and building control prior to the submission of the planning application.
- 4.1.8 **Improvements to greenspace and playing facilities in the ward** - The development of the site for housing is likely to generate a commuted sum in the region of £80,000, which the council hopes will be able to fund some immediate improvements to local facilities, and will add to around £100,000 of similar existing funding already available within the ward.
- 4.1.9 The council intends to proactively work with local stakeholders to support further investment from partners into the ward. There are a number of initiatives underway and further potential opportunities to improve and enhance the sports and leisure provision within the ward which could be further developed. The council will also use the early engagement with the contractor to try and secure some early benefits from the investment available locally.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 An Equality, Diversity, Cohesion and Integration (EDCI) screening was completed for this phase of the council housing new build programme and accompanied the November 2018 Executive Board report.
- 4.2.2 An updated version of this EDCI for this particular scheme has been appended at **Appendix A**.
- 4.2.3 These proposals will contribute to delivering an increase in supply of high quality, genuinely affordable homes to meet current and predicted localised gaps in affordable housing provision across the city's neighbourhoods.

4.3 Council policies and the Best Council Plan

- 4.3.1 Housing has been identified as one of the Best City priorities and this programme will directly support the following priorities: Housing of the right quality, type, tenure and affordability in the right places;
- Minimising homelessness through a greater focus on prevention;
 - Tackling fuel poverty
- 4.3.2 The project will also directly contribute to the achievement of a number of the key performance indicators the Council will use to measure success including:
- Growth in new homes in Leeds;
 - Number of affordable homes delivered;
 - Improved energy and thermal efficiency performance of houses; and
 - Number of households in fuel poverty
- 4.3.3 As well as enabling the Council to build to meet its housing needs, such a significant development programme will also contribute to delivering against our social value charter aspirations via the creation of employment, skills and apprenticeship opportunities.

4.4 Climate Emergency

- 4.4.1 Leeds City Council declared a climate emergency in March 2019.
- 4.4.2 All of the homes being delivered via the CHGP will be built to the Leeds Standard specification which focusses on cutting carbon, improving air quality and tackling fuel poverty and which will play a key role in ensuring excellence in delivery through design quality, space standards and energy efficiency standards. It sets out challenging targets for our contractors to meet in terms of carbon emissions for these new homes.
- 4.4.3 In addition to this, as the programme moves forward, it will continue to explore how it can further contribute to delivering against the council's aspirations around carbon reduction and this will include, as well as implementing energy efficiency measures, considering what opportunities exist for energy generation within our schemes.
- 4.4.4 The programme is also committed to ensuring our new housing is delivered in sustainable locations, with due regard to considerations such as availability and proximity to public transportation, and cycling and pedestrian infrastructure.
- 4.4.5 The council will seek to develop a scheme that results in a 10% net gain in biodiversity for this site.
- 4.4.6 More detailed proposals for this scheme will follow in later reports.

4.5 Resources, procurement and value for money

- 4.5.1 The scheme will be delivered by the CHGP programme team, supported by our technical consultants NPS. The team includes colleagues from housing management, housing finance, land and property, property & contracts, urban design, planning, highways, parks & countryside, and all other relevant internal stakeholders in relation to this potential scheme.

- 4.5.2 The procurement approach will be as set out in this report.
- 4.5.3 Value for money will be ensured via a range of mechanisms. Many of the core cost elements are fixed upfront by the framework and these rates benefit from economies of scale and reflect the collective buying power of a long term partnering arrangement. All other project costs are sub-contracted work packages that are locally tendered open book to a managed supply chain to ensure competitive tensions are maintained, with effective price benchmarking and cost targeting to achieve value for money.
- 4.5.4 The rents for the properties at Oldfield Lane will be set in accordance with the principles agreed at Executive Board in June 2019. These ensure that rents are set at no more than 30% of local affordable incomes in Leeds. These rents are generally 20% lower than other affordable rents which are usually set at 80% of the prevailing local market rent.

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

- 4.6.1 The recommendations set out in this report are a direct consequence of a previous Key Decision (taken by Executive Board in November 2018) and therefore the proposal constitutes a Significant Operational Decision which is not subject to call in.
- 4.6.2 The planning status of the site was originally discussed and determined as part of the Planning Inspection process in 2015. There were no further changes proposed when the Inspector reviewed the process in July 2018 and is now adopted following the full Council meeting on 10th July 2019. Now that it is formally allocated for housing, and as we have identified in our reports to Executive Board in November 2018 and June 2019 our intention is to proceed with a high quality housing scheme as soon as possible.
- 4.6.3 We have satisfied ourselves on the basis of the documents we have seen that there are no restrictions on the disposal of the site by LSSA. Documentation supplied to us by the solicitor acting for LSSA show that the second, larger parcel was purchased by Tom Vernon Harrison, Robert Jarman and Arthur Thornton on the 13th September 1928 for £1,800. The conveyance was said to be free from incumbrances which indicates it was not the intention of the vendors that any restriction be placed on the future use of the site.
- 4.6.4 We have also been provided with a copy of the abstract of a further conveyance dated 23 November 1929. This is a transfer of the site from Messrs Jarman and Thornton (Mr Harrison having deceased) as the original trustees of the Leeds Elementary Schools Athletic Association (LEAAS) to Westminster Bank Limited (now NatWest) to hold the land as custodian trustee. This second conveyance specifically gives the Bank the power, on request of the LEAAS trustees to sell the land. Although the LEAAS intended to use the land as sports field there is no restriction on the sale or mortgaging of the land. We have no evidence that the position has changed since 1929.
- 4.6.5 It appears from a cutting from a newspaper from 1928 that the £1,800 used to purchase the second parcel of land was (at least in part) raised through public subscription. There is no evidence that we have seen that suggests any part of the

site was 'gifted' to the children of Leeds and there is no obligation for any purchaser to maintain the site for use by the public.

4.6.6 Our understanding is that there will be requirements on LSSA to use the proceeds from the sale of the site in accordance with their charitable aims (in respect of promoting sport for young people in Leeds). We also understand that there are no restrictions on LSSA in terms of where and how they use any proceeds consistent with their charitable aims. We have had a number of discussions with LSSA and other city partners with a commitment to sports provision to consider options. Unfortunately, Oldfield Lane is not viable as a standalone football ground.

4.7 Risk management

4.7.1 The overarching Council Housing Growth Programme is being delivered using the council's agreed project management methodology and a programme risk log will be maintained and risks managed, monitored and escalated through the governance process as necessary.

4.7.2 Delivery of the proposals set out in this report will contribute to mitigating one of the council's corporate risks around failure to meet additional housing supply targets and the consequent lack of homes for people in Leeds. There remain pressures in respect of delivering new affordable housing within the city despite the relative success in the overall delivery of new homes in Leeds which remains a corporate risk for the council.

4.7.3 As set out above, based on current RtB rules, if the 'one-for-one' element of the receipt generated by a RTB purchase is not spent within 3 years then it must be returned to central government. This programme will contribute to mitigating this risk by utilising some of the receipts which would otherwise be at risk of being handed back.

4.7.4 The scheme specific risks currently identified for this project include

4.7.4.1 **Risk of delay** – there are likely to be objections to the delivery of the scheme at planning application stage which may take longer than normal to resolve. This risk is mitigated by a number of factors including: the site is allocated for housing under the SAP and the SAP is now adopted; the indicative scheme proposals have been discussed informally with colleagues from planning and highways and a fully compliant scheme is proposed for the site.

4.7.4.2 **Risk of cost increases** – Until detailed design and site investigations are undertaken, there is a risk that unforeseen ground conditions could result in additional costs. This risk is mitigated by the inclusion of provisional sums within the overall project budget.

5 Conclusions

5.1 The council has set itself a challenging target to deliver a minimum of 300 new council homes a year going forward on an ongoing basis as part of our direct

contribution to an overall affordable housing target of 1,230 homes p.a. across the city from 2019.

- 5.2 A report to Executive Board in November 2018 approved funding to deliver c358 new build council homes, across 7 sites in Leeds, including the one at Oldfield Lane. This site was one of those identified through the city's Site Allocation Plan (SAP), as potential locations across the city for social housing developments. The council recognises that finding suitable land which could potentially be listed for inclusion is never easy, but determined that the land at Oldfield Lane was appropriate, given it had not been in use for 14 years and was previously identified for housing.
- 5.3 The council is aware of concerns which have been raised around the quality of playing provision in the area. We are extremely open and willing to working closely with local representatives and residents around what options are available to potentially enhance sporting facilities at other locations in and around the community.
- 5.4 The council has now identified a suitable procurement route to enable it to deliver this much needed new council housing scheme at Oldfield Lane and is ready to proceed.

6 Recommendations

6.1 The Director of Resources and Housing is requested to:

- a) Grant approval to appoint Wilmott Dixon via direct call off from the Scape Framework to undertake the feasibility exercise in relation to Oldfield Lane, noting that this is at no cost to the council with the exception of any survey costs or other third party consultancy costs incurred with our prior agreement.
- b) Delegate approval to Head of Council Housing Growth Programme, as per the scheme of delegation, to approve any costs incurred through the feasibility stage for surveys or third party consultancy costs.
- c) Note that a further report will follow to outline the results of the feasibility phase and to seek Director Approval to award a Pre-Construction Services Agreement, if appropriate with a further subsequent report for approval to spend and to enter into a NEC 3 Construction Contract.
- d) Note that a further report will follow to seek Director approval to complete on the site acquisition, subject to satisfactory surveys and planning approval being obtained].

7 Background documents¹

7.1 Executive Board paper "Council Housing Growth Programme - Delivery of New Build Social Housing" dated 21st November 2018.

8 Appendices

8.1 An Equality, Diversity, Cohesion and Integration Screening document is attached at **Appendix A**

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.

