



Report of Head of Council House Growth Programme

Report to Head of Council Housing Growth

Date: 19th November 2020

Subject: Approval for the early payment of works to be carried out by Statutory Undertakers for the Throstle Recreation Ground and Middleton Skills Centre Scheme

Are specific electoral wards affected? If yes, name(s) of ward(s): Middleton Park	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Has consultation been carried out?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" 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 development is being delivered as part of the Council Housing growth Programme through the Scape Major Works England and Northern Ireland framework via the direct selection process.
- The contractor, Wates Construction Ltd, entered into a Pre-Construction Services Delivery Agreement (PCSDA) with Leeds City Council for the Throstle Recreation and Middleton Skills Centre scheme on 30th April 2020.
- Approval was also given by the Director of Resources and Housing to delegate approval for any costs incurred through the Pre-Construction stage for surveys or third party consultancy costs to the Head of Council Housing Growth.
- This report sets out recommendations and requests approval for the early payment of statutory undertakers for sundry enabling works and surveys to be carried out at the Throstle Recreation Ground site prior to entering into the NEC3 Engineering and Construction contract. All enabling works and surveys will be carried out in accordance with the terms of the PCSDA. The total cost of £141,754.68 + VAT has been taken from the statutory fees budget to enable early payments.

2. Best Council Plan Implications (click [here](#) for the latest version of the Best Council Plan)

- Housing is one of the Best City priorities as set out in the Best Council Plan, and this 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.
- The delivery of Extra Care Housing through the Council Housing Growth Programme ties in closely with the Best Council Plan by providing housing as the city grows and supports the delivery of the Better Lives programme through:
 - c. Supporting the health and well-being of older people who wish to live independently
 - d. Providing an alternative to residential care
 - e. Ensuring that older people have a wider choice of housing and care option including the provision of person centred care and support

3. Resource Implications

- Full Council approved an injection of £90.9m into the Council Housing Growth Programme on 27th February 2019. Full Council approved a further capital injection of £116m into the Council Housing Growth Programme in February 2020, taking the overall funding injected and available for the Council House Growth Programme to £337.1m.
- On 26th June 2019 Executive Board approved the proposed investment required to deliver c174 additional new build council houses, which included the general needs properties and working age adult bungalows to be delivered on the two sites in Middleton.
- This was in addition to Executive Board approval in July 2017 of a £30m investment in the delivery of council owned Extra Care Housing which included the Extra Care element of this scheme.
- Approval is being sought for the early payment of statutory undertakers for essential enabling works and surveys to be carried out at the Throstle Recreation Ground site as follows:
 - Relocation of electricity Sub-Station and HV cable by Northern Powergrid.£140,366.62 + VAT.
 - Openreach survey to prepare final quotation for diversions £599.85 + VAT
 - Yorkshire Water applications for a public water main diversion and connection to new housing development £292 + VAT

- Wates charges for Utilities Technical Services Specialist and Assistant Surveyor
£496.21 + VAT.

Total Cost: £141,754.68 + VAT

All enabling works and surveys will be carried out in accordance with the terms of the PCSDA. This cost has been taken from the statutory undertakers' fees budget to enable the early payments.

Recommendations

It is recommended that the Head of Council House Growth Programme grants approval for the early payment of statutory undertakers for enabling works and surveys to be carried out as detailed in section 3.

1. Purpose of this report

- 1.1 The purpose of this report is to seek approval for the early payment of statutory undertakers for essential enabling works and surveys to be carried out at the Throstle Recreation Ground site. Once paid, the statutory undertakers will book dates for the enabling works and surveys to be completed. There is a six month lead time for the Northern Powergrid works, therefore failure to pay will lead to a significant delay in delivering the scheme. There is a 42 day lead time to prepare the quotation and drawings for the Openreach survey.

2. Background information

- 2.1 A report to Executive Board in December 2018 approved the delivery of extra care housing on the Throstle Recreation Ground site as the Middleton Skills centre was deemed too small for the delivery of extra care housing. A further report to Executive Board in June 2019 approved the delivery of general needs housing and working age adult bungalows on Throstle Recreation Ground and general needs housing to be delivered on the Middleton Skills site. These sites were identified through the city's Site Allocation Plan (SAP), as potential locations across the city for housing developments.
- 2.2 The approval for the early payments are required to enable the Council to book statutory undertakers to carry out necessary enabling works and surveys which are required to prepare the Throstle Recreation Ground site for construction.

3. Main issues

- 3.1 Enabling works and surveys by statutory undertakers are necessary in order to prepare the Throstle Recreation Ground site for development. The works to relocate the electricity sub-station require a lead time of 6 months and cannot be booked by Northern Powergrid until payment is received. There is also a 42 day lead time for the Openreach survey.
- 3.2 This reports seeks approval for early payments to statutory undertakers at the Throstle Recreation Ground as outlined in this report.

4. Corporate considerations

4.1 Consultation and engagement

4.1.1 The CHGP has engaged with a range of relevant Council teams and officers including seeking input and guidance from PACS.

4.2 Equality and diversity / cohesion and integration

4.2.1 An Equality, Diversity, Cohesion and Integration (EDCI) screening was completed for the second phase of the council housing new build programme and accompanied the November 2018 Executive Board report.

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

- i. Housing of the right quality, type, tenure and affordability in the right places;
- ii. Minimising homelessness through a greater focus on prevention;
- iii. Tackling fuel poverty

4.3.1

Climate Emergency

4.3.2 Leeds City Council declared a climate emergency in March 2019.

4.3.2.1 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.

4.3.2.2 Energy costs for Leeds Standard homes are estimated to be over £500 a year lower than averages for England and Wales, and the carbon footprint is also significantly lower (the average household in England and Wales produces an assessed 6 tonnes of carbon with Leeds Standard homes assessed at 1 tonne).

4.3.2.3 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.

4.3.2.4 The council is committed to ensuring that our new housing is delivered in sustainable locations, and the process of assessing potential sites for their suitability for new council housing includes due regard to considerations such as availability and proximity to public transportation, and cycling and pedestrian infrastructure, as well as access to other services and amenities and employment hubs in the local area. This is to help reduce dependency on car travel, and ensure tenants have a range of affordable transport options, as well as encouraging and contributing to a reduction in carbon. All major schemes are required to submit transport assessments as part of the planning process, and if improvements are required, such as enhancements to bus stops, these will also be delivered and funded as part of the schemes.

4.3.2.5 The council will seek to develop a scheme that results in a 10% net gain in biodiversity for this site.

4.4 Resources, procurement and value for money

4.4.1 The total funding for the Council Housing Growth Programme currently stands at £337.1m of which £65.6m is spent to date.

4.4.2 The total cost of the enabling works and surveys is **£141,754.68 + VAT**. This cost would normally be part of the statutory fees budget included in the NEC3 Engineering and Construction contract. However, the cost is being brought forward into the PCSDA stage to enable the early payments. This will see a reduction in statutory fees when we enter into the NEC3 Engineering and Construction contract phase.

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

4.5.1 The recommendations set out in this report are a direct consequence of a previous Key Decision (taken by Executive Board in June 2019) and therefore the proposal constitutes a Significant Operational Decision which is not subject to call in.

4.6 Risk management

4.6.1 The Council Housing Growth Programme is delivered using the Council's agreed project management methodology and a project risk log will be established for this project and risks managed, monitored and escalated through the established governance process as appropriate.

4.6.2 The specific risks currently identified for this approval request include:

- Risk in the event the scheme does not go ahead – with the early payment of statutory undertakers for enabling works and surveys, significant resources are being invested into the scheme prior to entering into the NEC3 Engineering and Construction contract. There is, therefore, a risk should the scheme not go ahead. However, this is mitigated by the fact that the works and surveys will add value to the site by making it suitable for development.

4.6.3 The project team will continue to monitor the identified risks and consider any new risks moving forward through the design development phase, contract award and mobilisation.

5. Conclusions

5.1 Approval is required to authorise the early payment of statutory undertakers for enabling works and surveys to be carried out at the Throstle Recreation Ground site.

6. Recommendations

6.1 It is recommended that the Head of Council House Growth Programme grants approval for the early payment of statutory undertakers for enabling works and surveys to be carried out as detailed in section 3.

7. Background documents¹

7.1 None.

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.