

2 NATIONAL HOUSING TRUST INITIATIVE (AN34-2011)

The National Housing Trust is an innovative approach to boost the numbers of affordable houses and realise wider economic recovery benefits linking private sector/public sector partnerships.

Committee Report No 414-2010 approved that Dundee City Council participate in the National Housing Trust Initiative to provide properties for mid market rent within Dundee subject to suitable bids being received. It was agreed that up to a maximum of 75 units may be considered necessitating a prudential borrowing requirement from the General Fund of up to £6.337M. This prudential borrowing to be backed by Scottish Government guarantees.

Following the Official Journal of the European Union (OJEU) procurement processes completed by the Scottish Futures Trust (SFT), three bids were received by Dundee City Council. These were evaluated by the Council and the SFT against the criteria set out within the SFT OJEU Framework Agreement. A bid from Ferrier Holdings to provide 16 x 2 bedroom flats at East Links Place, Broughty Ferry has been evaluated as meeting all necessary criteria and is recommended for inclusion within the Framework Agreement.

Subject to acquiring all necessary planning and building consents the Council on completion and handover of the buildings to the Special Purpose Vehicle would provide the funding required for the 65% share with the developer retaining a 35% interest for the minimum five year period. Following the initial five year period the flats could continue to be rented, sold to sitting tenants or sold on the open market. The estimated timescale for completion is March 2013.

The Committee is asked to note the foregoing.