

Councils may have to pick up where Stewart Milne has left off

Cash-strapped councils could face huge bills as they pick up the pieces after Scottish house builder Stewart Milne called in the administrators this week.

Unfinished council homes, roads which have not been cleared for adoption by the local authority and snagging bills are all likely to fall at the door of local authorities.

In Midlothian, the council says work has stopped on an existing contract for 28 affordable homes as part of the development of new town Shawfair which it had with Stewart Milne Group.

And in East Lothian officers are bracing themselves for possible costs from snagging issues at recently built homes which they may have to fix.

Midlothian Council had entered into a deal with the house builder to provide the new affordable homes off Edgemont Road, Danderhall, as part of the ongoing Shawfair development but now say they do not know if the homes will be built.

A spokesperson for the council said: "As the company is now in administration and no further construction will be completed or take place, we're waiting for further details on prospects from the administrators for the site being completed."

In neighbouring East Lothian where Stewart Milne have been involved in a number of recent developments, including a sprawling large scale site at Letham Mains in Haddington, the council says it is waiting to hear about the future of roads and other infrastructure connected to the work.

Stewart Milne recently completed 28 council houses in East Linton and was also working on homes in Pencaitland.

Last month families living in the Letham Mains estate, which involves a number of different developers, including Stewart Milne, were left trapped in their homes after black ice made the pavements and roads, which have not yet been adopted by the council, unusable.

There were reports of children and parents being injured as they tried to reach the new primary school on the site where developers remain responsible for providing grit and support until all work is complete.

The local authority only takes ownership of roads in new housing estates when all the homes are built.

An East Lothian Council spokesperson said talks were ongoing about the future of affected housing sites in the county.

They said: "It's disappointing to hear that Stewart Milne Homes has gone into administration. In terms of impact on East Lothian Council we are continuing to assess this.

"Although all affordable units that were being built by Stewart Milne Homes on our behalf at East Linton have been completed, there may be an impact in terms of any snagging issues with these properties falling to the council to put right.

by Marie Sharp Local Democracy Reporter



The Stewart Milne Homes site at the Wisp in Edinburgh the day after the company went into administration.