



NOTTINGHAM CITY COUNCIL
OVERVIEW AND SCRUTINY COMMITTEE

Date: Wednesday, 6 March 2019

Time: 2.00 pm (pre-meeting for all Committee members from 1:30pm)

Place: Ground Floor Committee Room - Loxley House, Station Street, Nottingham, NG2 3NG

Councillors are requested to attend the above meeting to transact the following business

Corporate Director for Strategy and Resources

Governance Officer: Zena West **Direct Dial:** 0115 8764305

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|----------|--|---------|
| 1 | APOLOGIES FOR ABSENCE | |
| 2 | DECLARATIONS OF INTEREST | |
| 3 | MINUTES
To confirm the minutes of the last meeting, held 6 February 2019. | 3 - 6 |
| 4 | DISCUSSION WITH THE PORTFOLIO HOLDER FOR HOUSING AND PLANNING
Report of the Head of Legal and Governance | 7 - 8 |
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| 6 | PROPERTY ASSET REGISTER - CORPORATE ASSET MANAGEMENT PLAN
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| 7 | WORK PROGRAMME 2019/20
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IF YOU NEED ANY ADVICE ON DECLARING AN INTEREST IN ANY ITEM ON THE AGENDA, PLEASE CONTACT THE GOVERNANCE OFFICER SHOWN ABOVE, IF

POSSIBLE BEFORE THE DAY OF THE MEETING

CITIZENS ATTENDING MEETINGS ARE ASKED TO ARRIVE AT LEAST 15 MINUTES BEFORE THE START OF THE MEETING TO BE ISSUED WITH VISITOR BADGES

CITIZENS ARE ADVISED THAT THIS MEETING MAY BE RECORDED BY MEMBERS OF THE PUBLIC. ANY RECORDING OR REPORTING ON THIS MEETING SHOULD TAKE PLACE IN ACCORDANCE WITH THE COUNCIL'S POLICY ON RECORDING AND REPORTING ON PUBLIC MEETINGS, WHICH IS AVAILABLE AT WWW.NOTTINGHAMCITY.GOV.UK. INDIVIDUALS INTENDING TO RECORD THE MEETING ARE ASKED TO NOTIFY THE GOVERNANCE OFFICER SHOWN ABOVE IN ADVANCE.

NOTTINGHAM CITY COUNCIL

OVERVIEW AND SCRUTINY COMMITTEE

**MINUTES of the meeting held at Loxley House, Nottingham on 6 February 2019
from 2.00 pm - 3.29 pm**

Membership

Present

Councillor Brian Parbutt (Chair)
Councillor Anne Peach (Vice Chair)
Councillor Jim Armstrong
Councillor Azad Choudhry
Councillor Patience Uloma Ifediora
Councillor Glyn Jenkins
Councillor Mohammed Saghir

Absent

Councillor Sue Johnson
Councillor Nicola Heaton
Councillor Gul Nawaz Khan
Councillor Cate Woodward

Colleagues, partners and others in attendance:

Councillor Graham Chapman - Deputy Leader/Portfolio Holder for Finance, Resources and Commercial Services
Jason Eaves - Manager, Nottingham Credit Union
Lynn Griffin-Pearce - HR Consultant - Reward
Richard Henderson - Director, HR and Customer
Zena West - Senior Governance Officer
Phil Wye - Governance Officer

50 APOLOGIES FOR ABSENCE

Councillor Nicola Heaton – work commitments
Councillor Cate Woodward – personal reasons

51 DECLARATIONS OF INTEREST

None.

52 MINUTES

The minutes of the meeting held on 9 January 2019 were agreed as a correct record and signed by the Chair.

53 DISCUSSION WITH THE DEPUTY LEADER/PORTFOLIO HOLDER FOR FINANCE, RESOURCES AND COMMERCIAL SERVICES

Councillor Graham Chapman, Deputy Leader and Portfolio Holder for Finance, Resources and Commercial Services, delivered a presentation outlining progress within his portfolio against the Council Plan priorities, highlighting the following:

- (a) the council encourages the use of Credit Unions for bank accounts and ethical credit, and refers financially vulnerable people to money advice services. It may bid for European Social Fund funding to resource employment advisors co-located with Benefits and Debt Advisors;
- (b) despite heavy cuts from central government since 2010/11, the council has continued to balance its budget whilst retaining most services to citizens. Joint Service Centres have been set up and have been popular and effective, and many services have been commercialised, generating over £32 million of new external income;
- (c) development is planned by the end of 2019 with the help of the private sector at the Glaisdale Drive Industrial Estate to provide 60 local jobs;
- (d) regeneration has taken place at Bulwell and Clifton town centres, with improvements to shopping facilities, enhancements to the outdoor markets, and better pavements, street furniture, signage and shop fronts. This has resulted in an increased level of growth and footfall in these areas;
- (e) Catering Services have won the 'Soil Association Food for Life' award for providing top quality school meals, locally prepared using local producers and meeting animal welfare standards;
- (f) the council shares its HR and finance functions with Leicestershire through East Midlands Shared Services. This was originally intended to roll out to additional authorities but this has not yet been achieved;
- (g) Southglade Food Park has been expanded providing 150 jobs. A third phase is planned but not yet confirmed;
- (h) there remains an ambition to pursue the development of the Blenheim site as an energy park in order to provide 270 local jobs in the energy sector, but it is unclear if the developer still intends to proceed.
- (i) development sites are selected in order of their ease of development. Some long-standing empty sites are subject to flooding or are owned by the private sector and therefore more difficult to develop;
- (j) the council continues to invest in Robin Hood Energy, to maintain it as a going concern and keep it from saving residents money on their energy bills. Enviroenergy has ongoing debt but this is reducing.

RESOLVED to thank Councillor Chapman for the information provided.

54 CREDIT UNIONS

Lynn Griffin-Pearce, HR Consultant-Reward, and Jason Eaves, Manager of Nottingham Credit Union (NCU), delivered a presentation focussing on how the council interacts with credit unions, the benefits of using them and whether they are an effective way of addressing the increased use of payday lenders. The following information was highlighted:

- (a) banks have become less willing to lend to vulnerable people, and payday lenders have filled the vacuum. A rising proportion of working adults have no or little savings available to them meaning that they are not financially resilient;
- (b) financial worries can lead to stress, anxiety and depression, as well as having an impact on relationships, sleep and work performance;
- (c) a number of Nottingham City Council (NCC) employees use payday lenders, and a number also use the Credit Union for savings and loans;
- (d) NCC has a commitment in its Council Plan to support the Credit Union. It provides financial support and councillors sit on the NCU Board. Pop up shops and money management workshops have been held at Loxley House;
- (e) the partnership between NCC and the NCU is due to continue, in order to encourage better money management, break cycles of debt, improve financial health and ultimately increase employees' disposable income;
- (f) new benefits that complement the NCU offering are planned, and 'soft' market testing is currently underway in order to gain an understanding of external suppliers of financial wellbeing education;
- (g) NCU also offers low interest debt consolidation loans, with payments made directly from salaries.

The following points were raised during the discussion which followed:

- (h) the NCU is not for profit and owned by members, and it can be difficult to compete with commercial providers. The financial regulator insists on increasing reserves, so finding people who need loans is important;
- (i) some people are reluctant to use Credit Unions or seek debt advice as they associate them with deprived people;
- (j) the basic service of the NCU needs improvement and can involve a lot of paperwork. It is seeking additional volunteers to improve the website, social media presence and service;
- (k) NCU membership is higher in some areas of the city such as Bulwell which has a history of its own Credit Union;
- (l) the average loan amount from the NCU is £1,000. The minimum available is £100, and the maximum available is £15,000.

RESOLVED to thank Lynn and Jason for the information provided.

55 WORK PROGRAMME 2017/18

RESOLVED to note the Committee's work programme for the remainder of the municipal year.

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OVERVIEW AND SCRUTINY COMMITTEE
6 MARCH 2019
DISCUSSION WITH THE PORTFOLIO HOLDER FOR HOUSING AND PLANNING
REPORT OF HEAD OF LEGAL AND GOVERNANCE

1 Purpose

- 1.1 To hear from the Portfolio Holder for Housing and Planning on progress against their Council Plan priorities, and their main priorities and challenges for the 2018/19 municipal year.

2 Action required

- 2.1 To use the information received at the meeting from Councillor Linda Woodings, Portfolio Holder for Housing and Planning, to inform questioning and identify potential areas for future scrutiny.

3 Background information

- 3.1 On 9 November 2015 the Council Plan was approved by full Council, and guides the Council's services and approach to support the delivery of its key priorities for the city until May 2019.
- 3.2 The local authority is currently in the last year of the plan.

4 List of attached information

- 4.1 None.

5 Background papers, other than published works or those disclosing exempt or confidential information

- 5.1 None.

6 Published documents referred to in compiling this report

- 6.1 Council Plan 2015-19.

7 Wards affected

- 7.1 All.

8 Contact information

- 8.1 Zena West, Senior Governance Officer
Zena.west@nottinghamcity.gov.uk
0115 8764305

OVERVIEW AND SCRUTINY COMMITTEE
6 MARCH 2019
HOUSE BUILDING
REPORT OF HEAD OF LEGAL AND GOVERNANCE

1 Purpose

- 1.1 To consider progress on House Building in Nottingham City against targets contained within the Council Housing Strategy 2018 – 2021.

2 Action required

- 2.1 Councillors are asked to review and comment on progress, to use the information received to inform questioning and identify potential areas for future scrutiny or suggestions for changes or improvements if applicable.

3 Background information

- 3.1 The Council's housing strategy was published in June 2018, and sets out the vision for Nottingham citizens to be able to access a good quality home.
- 3.2 The Revised National Planning Policy Framework (updated February 2019) aims to significantly boost the supply of housing, reaching 300,000 housing completions per year by the mid-2020s in England. All local authorities in England will have a role to play in helping to ensure this target is met, and that demand for housing in England is met.
- 3.3 Mark Lowe (Head of Regeneration and Housing Delivery, Nottingham City Council) and Matt Gregory (Growth Point Planning and Planning Policy Officer, Nottingham City Council) will be in attendance to present the report, provide information, and answer questions from the Committee.

4 List of attached information

- 4.1 Information from Nottingham City Council colleagues in Planning and Regeneration, attached.

5 Background papers, other than published works or those disclosing exempt or confidential information

- 5.1 None.

6 Published documents referred to in compiling this report

6.1 Council Housing Strategy 2018 – 2021: "[Quality Homes for All](#)".

6.2 [Revised National Planning Policy Framework](#).

7 Wards affected

7.1 All

8 Contact information

8.1 Zena West, Senior Governance Officer
Zena.west@nottinghamcity.gov.uk
0115 8764305

Overview and Scrutiny- House Building

6 March 2019

1. Introduction

This report has been prepared for the Overview and Scrutiny Committee. The Committee have asked for an overview of Nottingham City Council's house building, and planning policy in relation to encouraging house building. This report has been written in February 2019, and as such all figures quoted are a snapshot in time.

2. Housing Strategy Context

The Council's Housing Strategy 2018 to 2021, 'Quality Homes for All' was agreed in June 2018. This replaces the previous strategy, and sets the vision for all services and sectors involved in achieving housing delivery.

Its overall vision is that all of Nottingham's citizens should be able to access a good quality home, irrespective of whether it's owned or rented.

The strategy shows:

- How we will ensure that more much-needed homes are built in Nottingham
- How we will invest in the existing homes we have to ensure they are of good quality, and how we will raise standards in the private rented sector
- Our approach to meeting more specialist housing needs
- How we will deliver better health outcomes through housing
- How we will ensure that housing providers play their part in keeping our communities strong

The strategy is accessible here:

<https://www.nottinghamcity.gov.uk/housing/strategic-housing/the-citys-housing-strategy/>

3. Planning Policy Context

The National Planning Policy Framework (2018) sets the national policy context for housing provision. For housing, its main aim is "to significantly boost the supply of housing" with the aim of reaching 300,000 housing completions per year for England "by the mid 2020's"

Nottingham's share of the conurbation's housing provision is set out in the Aligned Core Strategy (Part 1 Local Plan) and is 17,150 between 2011 and 2028. However, due to the recession flowing from the 2008 crash, housing delivery was anticipated to be stepped over the period, ramping up as the housing market recovered. The figures include housing specifically for students.

The following table shows how delivery of housing compares to Core Strategy provision, and shows that housing delivery is slightly ahead of targets. Net completions have been impacted on by some significant demolitions in past years,

but no large scale future demolitions are planned, which should support net housing delivery.

Table 1 Housing Delivery in Nottingham 2011 to 2018

	2011 to 2018	2011 to 2012*	2012 to 2013*	2013 to 2014	2014 to 2015	2015 to 2016	2016 to 2017	2017 to 2018
Nottingham City Council (Core Strategy anticipated)	5,350	475	475	880	880	880	880	880
Nottingham City Council (actual)	6,020 (112.5%)	422	799	463	1,022	947	974	1,393

All figures are net of demolitions

In summary, 6,020 new homes have been delivered 2011 to 2018, leaving 11,130 to be delivered 2018 to 2028, which is approximately 1,391 per year. Given fewer demolitions, and a strong market for student housing, there is reasonable confidence that the Local Plan targets will be met.

The draft Part 2 Local Plan (Land and Planning Policies document) includes a number of policies which are aimed at ensuring that the housing mix provided by new development supports sustainable, mixed and balanced communities. To this end there are policies which:-

- Support the provision of family housing wherever appropriate.
- Encourage self and custom build housing
- Protect existing family homes from conversion to other uses
- Provide a strong policy framework for Houses in Multiple Occupation to support the Article 4 Direction
- Encourage provision of purpose built student accommodation in appropriate locations, eg on campus and in the City centre.
- Ensure homes are built to reasonable size standards
- Provide for a proportion of new homes to meet the needs of older or disabled citizens.

The Part 2 Local Plan is currently at examination, and should these policies be supported by the examining Planning Inspector, it is anticipated that they will be adopted in late 2019.

4. Student Housing

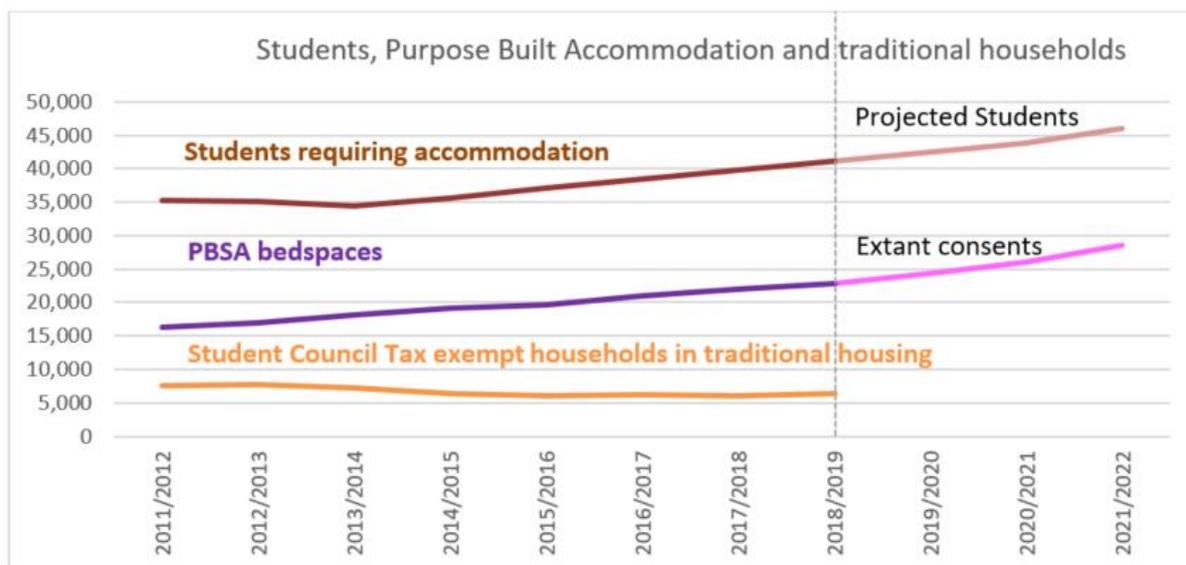
Purpose Built Student Accommodation (PBSA) completions contribute significantly to the overall housing completions identified above, and in recent years we have seen a growth in the student population, with 5,950 additional students who require accommodation within the City since the academic year 2014-15.

The City Council has a policy of encouraging PBSA in appropriate locations to provide students with good quality accommodation choices, and with the aim of

freeing shared housing for occupation by other households. There are now 22,750 PBSA bedspaces across the city (2018/19), and a pipeline supply of 5,800 additional PBSA bedspaces made up of extant and likely consents.

The City Council’s policy has resulted a 16% reduction in the number of students households living in traditional housing, but although PBSA bedspaces have increased significantly in recent years, it is not keeping pace with the increase in student numbers, and the number of students in traditional housing is now growing again. Further PBSA development will be required to ensure policy aims are met.

Table 2 PBSA in Nottingham



5. Council House Building Programme

Since the current new build programme began in 2013/14, 523 units have been completed, 44 are being built, and a further 72 have been approved with construction scheduled to start soon.

Completed	523
On site	44
In pipeline	72
Total	639

The total comprises 356 family houses, 113 bungalows, 134 independent living scheme flats for older people and 36 general purpose flats.

	Houses	Bungalows	Flats (ILS)	Flats (other)
Completed	298	113	90	22
On site	0	0	44	0
Pipeline	58	0	0	14
Total	356	113	134	36

The biggest developments have been on the sites of the Lenton high rise blocks (142 units), the Radford high rise blocks (52 units), the Cranwell Road flats in Strelley (48 units), the Meadows Q blocks (55 units) and the former Morley School on St. Ann's Well Road (39 units). Bungalow developments have been built on derelict sites in St. Ann's (Conway Close), Bestwood Park (Hazel Hill) and Aspley (Oakford Close). New Independent Living Schemes have been built in Lenton and on Strelley Road, and new Extra Care units are under construction at Woodthorpe and Winchester Courts in Sherwood. The former shopping precinct at Church Square in Lenton has been redeveloped for family houses. The remainder of the completed new units are distributed across smaller infill developments, often on former garage block sites.

The approved pipeline developments will be on the sites of the former shopping precinct and derelict pub site at Knights Close in Top Valley, the former Marlstones older people's home in Bulwell, the Clifton Miners' Welfare Club in the Meadows, and amenity land at Tunstall Drive in Basford.

NCC have also begun to pro-actively seek to acquire on site affordable housing units which are part of a Section 106 agreement. So far 10 units have been acquired this way at Chalfont Drive, 14 units at Martin's Reach, Wollaton have been acquired by NCH RP and 8 are currently being acquired at Sandfield Centre, Lenton. Pro-active attempts to acquire s106 units will continue.

In addition to new build provision, there is an ongoing acquisitions programme of second hand stock which is being undertaken as a quick and value for money way of replenishing Council housing stock. This is predominantly focussed on Estate based properties. A programme of c.35 is nearing completion, with an additional 320 acquisitions target over 2019/20-2023/24. Although this doesn't increase housing delivery as it not net gain, it does bolster the amount of affordable housing to meet housing demand.

The abolition of the Housing Revenue Account borrowing cap is a recent and welcomed policy, and means that NCC can continue to provide Council Housing.

6. Council Plan

In the Council Plan 2015-19, it was a key objective '*to build 2,500 homes that Nottingham people can afford to rent or buy between 2015-2019*'.

This pledge relates to homes that are affordable in the broader sense of being within the price range of a person earning an average wage level within Nottingham, rather than just official Affordable Housing products like social and affordable rent or shared ownership.

The figure includes units completed in the period and those that are currently on site, being delivered, but not complete by May 2019. Unlike for the Local Plan figures, student schemes are not included.

The figure therefore includes, Affordable and Social Rent homes via NCC/NCH, Affordable and Social Rent via RPs, Intermediate Affordable housing (like shared ownership and shared equity), and also Market Rent and Market Sale homes within certain brackets.

The current predicted number to be delivered or on site by May 2019 is 2,250. This is below previous predictions due to some delays to larger sites such as Eastglade in Bestwood.

Nevertheless, there are still possible changes to the figures based on private sector schemes currently in progress or which are expected to start soon. On many, we do not yet know the end price/rent of the units and so we cannot confirm that they are affordable for people on an average Nottingham income, and with some of the schemes it is still unclear if they will start on site by May 2019.

Although not included in the delivery figure, as they will not be on site by May 2019, the following schemes involve sites that are being actively progressed by the Council (through either direct development or disposal) and which will deliver further affordable homes.

Site	Additional homes	Effect on target (cumulative)
Padstow	+ 287	2537
Eastglade (remaining)	+ 65	2602
Melbury	+ 45	2647
Chingford	+140	2808
Meadows Police Station	+ 21	2821

Collectively this provides a further 558 homes on sites being progressed with the Council's involvement but which are not part of the total. Nevertheless, they form part of a wider narrative of NCC's housing delivery efforts.

7. Enabling and supporting housebuilding

Nottingham City Council is committed to delivering housing of all types and tenures, whether through the public or private sector.

Alongside the Council New Build Programme outlined above, significant work is carried out to enable private sector delivery.

Below is an overview of some of the enabling and facilitating work that NCC carries out, to meet private housing demand.

7.1 Blueprint- Joint Venture Partner

Blueprint is a regeneration development company with a good track record of delivery of high quality and eco-friendly homes. They were explicitly set up to instil change into areas, and bring regeneration benefits to the wider community.

In 2015 the City Council acquired 50% share in Blueprint and receive the profits from development to pay back the borrowing used to buy the company.

Alongside the Waterside neighbourhood outlined below, Blueprint are doing a new development at the Fruit Market, behind Victoria Leisure Centre. This is a group custom build development, the first of its kind supported by the Council.

There is also work at Trent Works and conversion of the former Mundella Centre, both in the Meadows.

7.2 Ambitious and aspirational housing

NCC has disposed of numerous sites to developers who build executive homes. Recent examples are the former Haywood School in Sherwood, and the former Beechwood Children's Home on Woodborough Road.

An example of more direct intervention is at Trent Basin, Colwick. NCC, with Blueprint, is creating a new neighbourhood. The City Council has invested in purchasing a development company, and assembling land at Trent Basin (in the Waterside Regeneration area). The aspiration is to transform a poor quality industrial area on the river front, into a sustainable, attractive and vibrant residential neighbourhood, which gives the economically active citizens of Nottingham to choice to remain within the City, rather than move to the surrounding suburbs.

Work commenced in 2015 to build Phase 1 (45 homes). The success of this, has led to Phase 2 (32 homes) nearing completion. Sales are promising. Phase 3 (c.30) has planning permission and will start in 2019.

This investment has given the private sector enough confidence in the area to bring forward residential developments. For example, after a long period of inactivity, Park Yacht Club is now being developed, with 84 units currently under construction. Pelham Homes (private sale arm of NCHA) are now progressing their development to the rear, on Trent Lane for a mixture of shared ownership and open market sale homes.

A Supplementary Planning Document has been developed and provides confidence to developers and landowners around the aspirations and requirements of the Council for the Waterside neighbourhood.

7.3 Working with Registered Providers

Nottingham City Homes is Nottingham City Council's ALMO. In 2017, a Registered Provider (RP) arm was established for NCH to own and manage stock in its own right. NCH RP is eligible to bid for grant funding from Homes England, and are another delivery route for housing. The final development project of 17 homes at Church Square, Lenton, was developed and owned by NCH RP, utilising Homes England Affordable Housing grant funding, with the rest funded by a loan from NCC.

NCC work closely with other RPs too, and try to enable and unlock development sites. When there is a clear viability gap in a business case for a project, NCC may provide grant assistance to get a site moving. The former Globe Pub and Radford Mill development was a partnership between NCHA and NCC, with NCC financially assisting with land acquisition and site assembly.

The NCC owned site at College Way, Bilborough, is currently being disposed of to NCHA for a 100% affordable housing site, for 45 units.

7.4 Land disposals to enable housing development

NCC have been proactive in securing residential use allocations in planning policy for many surplus assets. The sites have then been sold, often with the benefit of

outline planning permission, to private developers for housing schemes. The following are recent examples of this:

- The former Denewood Centre, Bilborough. This has recently been marketed, with joint owners Nottinghamshire County Council, for 100 homes. The disposal is in progress.
- The former Sandfield centre, in Lenton. This 95 unit scheme is being developed by Persimmon and is on site, with completions due from mid 2019.
- The Clifton West site is jointly owned with Nottingham Trent University. This is a large site for around 285 units. A planning application was submitted and was recommended for approval, but the decision was called in. Assuming the planning permission is granted, this site will be marketed immediately. The Council sees this site as crucial to meeting housing numbers and complementing the sustainable urban extension at Clifton.
- The former Springwood Day Centre, Mapperley. This 50 home scheme has been developed by Gleasons and all plots have sold.
- The former William Olds Community Centre site, Bestwood Park. This c.20 unit site is being disposed of currently.
- The former Bestwood Day Centre, Bestwood. This 48 unit scheme has completed and has sold well.

7.5 Procurement of private sector developers

Sometimes land will be disposed of as a simple land sale, and sometimes NCC will procure a private sector development partner to deliver specific benefits, rather than purely a capital receipt. A few recent examples of residential procurements include

- Stonebridge Estate, St Anns,
- Arkwright Walk, the Meadows
- Kingsthorpe, St Anns.

By doing a procurement the Council has enhanced control, over and above the usual planning control mechanisms. The Council can, for example, specify house sizes, specifications etc, or certain benefits to the wider community. This generally would have a negative effect on the capital receipt received, but meets wider Council aspirations.

7.6 New tenure provision

The private rented sector (PRS) is the fastest growing tenure in the UK, however in Nottingham there have been few institutionally owned and managed schemes, other than in the city centre for blocks of apartments. It is an ambition of NCC to introduce family housing PRS into neighbourhoods, and for this reason the land at the former Henry Mellish school, and the detached Piccadilly playing field, were sold to a developer for this tenure. A planning application will shortly be submitted and work should be starting on site for circa 100 homes at the end of 2019/start of 2020.

NCH have acquired a number of private new build schemes for this purpose, providing well managed, stable tenancies for people in this sector. Examples include, Arkwright Walk apartments and the new apartments on the Green Line site in Clifton.

7.7 Island site

The Island site is the biggest single regeneration site in Nottingham. NCC sees the development of the Island site as crucial to meeting the City's housing and economic ambitions.

The site had lain largely derelict for many years, and in order to promote its development the Council embarked on a process to compulsorily purchase the site, leading to the eventual sale to new owners. Part of this involved developing a Supplementary Planning Document to express the Council's spatial vision for the site. Following extensive discussions with the new owners, a planning application was submitted in summer 2018. Determination is due imminently.

The planning application exceeds the Council's quantum of housing in the SPD as more of the site is developable than was originally anticipated, and it is anticipated that the housing will be developed early on in the scheme in order to underpin the finances of the rest of the site, and begin place making.

7.8 Southern Gateway

There is currently a huge amount of development interest in the Southern Gateway area relating to the investment in this area. Investment includes the plans for the redevelopment of Broadmarsh (including the new bus station and Library relocation) together with the new college skills hub under construction, the development of the HMRC office hub at Unity square and the refurbishment of the station, Station Street and Carrington Street. On the back of this we have seen a number of new residential schemes in development or being proposed in this area such as PRS developments at the Former Hicking Pentecost (Phases 2 and 3), the former petrol station on London Road and Crocus Street.

This wave of new investment delivery will significantly contribute to new residential provision and City living opportunities.

7.9 Flexibility with s106

Where there is a clear viability issue with a housing development, NCC is willing to be flexible around insisting on Section 106 contributions. Although there is confirmed policy which sets out the level of contribution expected, there are many occasions where pragmatism and flexibility has been applied, in order to ensure housing delivery occurs. If a developer can prove, and have it confirmed by the Valuation Office, that the costs associated with the development are reasonable and proportionate, then if a development cannot stack up then the Council will forgo some or all of the s106 contribution.

7.10 Specialist Housing

NCC has been instrumental in the provision of specialist housing across the City. As outlined above, NCC have directly provided Independent Living Schemes such as Palmer Court and Strelley, and a new Extra Care facility at Woodthorpe and Winchester.

NCC have also supported and facilitated numerous RP new specialist schemes, either through land assembly support or commissioning agreements. For example, recent development include a scheme by NCHA in Rise Park for tenants with

Learning Difficulties, by ASRA at Robin Hoods Chase for an Independent Living Scheme and an ASRA Extra Care/ILS scheme at Albany House in St Anns.

8. Challenges

As outlined above, NCC is proactive and currently on track to meet housing delivery targets within the Local Plan.

However, there are still significant challenges and issues that face the Council.

8.1 Sites

There are several large development sites identified as suitable for residential development within the emerging Local Plan. However, the less problematic or constrained sites have, or will soon be, delivered. This means that NCC is increasingly dependent on Brownfield, difficult to deliver and expensive sites, and smaller infill sites to reach housing numbers. There are associated viability issues around delivering these sites, and a lack of appeal to the large scale builders, who cannot get economies of scale.

There are also very few sites which are NCC owned remaining. Landowners often have unrealistic expectations on land values, so often privately owned sites are mothballed. This can blight an area, and suppress development in the surrounding neighbourhood even further.

Despite having been the focus of much Council interest over the years, there are numerous sites which have yet to come forward for development. Some of the most prominent ones are Stanton Tip, Cussons, Bobbers Mill, Vernon Road and Prospect Place. There are various reasons for this, such as high levels of contamination, flood risk, land ownership fragmentation etc.

8.2 Homes England and Central Government Funding

There have been successful bids for affordable housing grants in the past, however Nottingham City have been disappointed over recent years in the level of Government support which has been channelled through Homes England. A bid for £5.4m was put in for Housing Infrastructure Funding to support the delivery of the former school sites in the north of Nottingham. Despite feedback stating that the bid was strong and there was clear evidence of need, the value for money formula which bids are assessed by in Whitehall meant that Nottingham was not awarded grant.

In another instance, in the recently published Social Rent funding, because the differential between average private rent weekly levels and affordable rent level was less than £50 (at £48) then Nottingham is not eligible to bid for grant to deliver affordable homes at social rent levels (rather than affordable rent).

This lack of central government support, coupled with the effect of austerity, mean that Council finances are somewhat constrained in realising housing delivery potential, particularly around the private sector offer. NCC is keen to establish a devolution deal (possibly part of the Metro- Partnership), mirroring other core cities, to ensure that funding can be channelled to places that need it most.

8.3 Brexit uncertainty

There is no doubt that the uncertainty around Brexit is having an impact on developer confidence around housing delivery. This is causing a slight softening on house prices, particularly in some of the subprime markets in Nottingham.

Developers have anecdotally reported on difficulties in securing institutional funding for private sale housing schemes, and many appear to be employing a 'wait and see' approach. The full impact of Brexit is yet to be established.

OVERVIEW AND SCRUTINY COMMITTEE
6 MARCH 2019
PROPERTY ASSET REGISTER – CORPORATE ASSET MANAGEMENT PLAN
REPORT OF HEAD OF LEGAL AND GOVERNANCE

1 Purpose

- 1.1 Councillors have requested an update regarding the Corporate Asset Management Plan.

2 Action required

- 2.1 Councillors are asked to note the written update from the Property Department.

3 Background information

- 3.1 The Corporate Asset Management Plan 2018-2020 was adopted by Nottingham City Council at its meeting of Executive Board held on 22 May 2018.
- 3.2 This agenda item is a written update for noting only.

4 List of attached information

- 4.1 Written update from Nottingham City Council Property Colleagues.

5 Background papers, other than published works or those disclosing exempt or confidential information

- 5.1 None.

6 Published documents referred to in compiling this report

- 6.1 Agenda, reports and minutes from the Executive Board meeting held on 22 May 2018:
<https://committee.nottinghamcity.gov.uk/ieListDocuments.aspx?CId=177&MID=7393>

7 Wards affected

- 7.1 All.

8 Contact information

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Report to Overview and Scrutiny Committee

March 2019

Nottingham City Council: Corporate Asset Management Plan 2018 - 2020

1. Summary

This report provides an update on the Council's Corporate Asset Management Plan and the priorities for the forthcoming year.

2. Background

Nottingham City Council approved the Corporate Asset Management Plan (CAMP) at Executive Board on the 22 May 2018. The plan outlined the scale of the Council's land and property interests within the City and the approach taken to ensure that the best use of these assets is adopted in meeting the Council Plan objectives.

3. The Vision

The CAMP set out the Council's Asset Management Vision of "***well managed asset portfolios that support the Council Plan by providing high quality services and facilities and places to live, work and do business***". Underpinning the vision is the Council's commitment that

- Assets are held to support the needs of the Council
- The value of commercial assets are maximised for the benefit of Citizens, local business and the community
- Operational assets are suitable, sufficient and sustainable
- Assets are effectively managed and maintained, accessible and legally compliant

4. Governance

The CAMP outlined the Council's approach to asset management. This included the Strategic Asset Management Corporate Leadership Sub Group providing oversight on matters relating to the operational estate and the establishment of robust procedures and governance in respect to commercial investment acquisitions. During 2018/19, a Capital Strategy is being developed and this will provide a link to the CAMP and a supporting framework for capital decisions.

5. Portfolio Approach

The CAMP outlined the importance of understanding every aspect of our land and property assets to inform effective decision-making. To support and aid such decision-making the Council has adopted a Portfolio approach and agreed the following rationale for holding assets:

1. Assets required for operational use and service provision
2. Income generation
3. Strategic, regeneration and housing purposes

Outlined below is a list of the Property Portfolios and the relationship to the Council's vision.

VISON	Rational	Corporate Portfolio	Description	Focus
Well managed asset portfolios that support the Council's plan by providing high quality services and facilities and place to live, work and add business	Operational and Service Delivery	Corporate and Civic	Multi use operational office and JSC premises	Optimising and rationalising the operational estate: Ensuring Assets are Suitable, Sufficient and Sustainable
		Operational	Service delivery assets managed by Directorates e.g. Depots, Car Parks	
		Community	Assets held to provide benefit to the community through direct Council services e.g. Leisure Centres or non-commercial agreements to third parties e.g. Nottingham Contemporary	
		Education	Education Assets	
	Income Generation	Property Trading	Assets held for income generation	Driving value through disposals and reinvestment and effective estate management system (IPAMS Estates Rent)
		Bridge	Assets held by the Bridge Estate Trust for the purpose of income generation to fund works to the Bridges of Nottingham	
	Strategic, Regeneration and Housing	Strategic and Regeneration	Assets held to promote economic value to the City	Supporting strategic opportunities to maximise economic value to Citizens and the City
		Infrastructure	Assets include track, bridges and infrastructure	Management and Maintenance
		HRA	The Council's residential estate managed by NCH and includes retail units managed by SA&P	Management, maintenance and growth of the housing stock

6. Land and Property Information

The CAMP outlined the Council's Integrated Property Information Management approach. In line with this approach during 2018/19, the Council has been developing and streamlining its data to facilitate the proactive management of all land and property assets to inform strategic decisions making. This work has included the cleansing of land and property asset data and the introduction of a single property-referencing framework. Alongside this work, the Council has undertaken a comprehensive programme to categorise the Council's assets into the distinct corporate property portfolios. This exercise has included the development of "core data" information in respect to ownership and responsibility.

Alongside this work, a Condition Survey programme has been agreed for the operational portfolios. This programme will identify areas where budgetary pressures exist and to enable effective lifecycle planning and prioritisation of resource allocation.

Considerable work has provided a deeper understanding of the Council's asset base, but this work will continue during 2019/20 to draw together property related data including the set up and implementation of the new Oracle system.

In respect to the Council's commercial portfolios, the CAMP identified the requirement for an Estates Rent System. This is an essential requirement to drive value and maintain income from the Property Trading Account. During 2019/20, a major focus of activity will be to secure and implement a solution to support the Council to manage commercial property activity, including the release of poor performing assets, reinvestment and effective collection of rent and service charges.

7. Strategic Priorities

The CAMP outlined the asset management priorities to support the Council Plan and strategic priorities that include

- Regeneration and Development
- Schools and Education
- Housing
- Jobs, Growth and Transport
- Adult and Health integration
- Early intervention

During the course of 2018/19 asset management activity has focused on the above areas, which has led to significant new developments in the City, which includes the approval of the Broadmarsh projects.

The CAMP also referenced ambitions to promote partnerships, employment and the environment and during 2018-20, the Council has:

- Approved the development of a "Customer Hub" at Loxley House combining a citizen access point for Homelessness Services, Benefits (NRB) and DWP services.
- Developed capacity for start-up businesses at both Lenton and Glaisdale Business Parks through supporting established businesses with alternative accommodation in which to grow.
- Supporting the delivery of the City's Office Strategy to deliver Grade A accommodation to promote business inward investment and job opportunities in the City.
- Continued to implement energy projects that include solar, city charging points and numerous SALIX funded projects.

8. Operational Property Rationalisation and One Public Estate

The CAMP outlined the Council's commitment to ensure that its estate is suitable, sufficient and sustainable. This includes both optimising the estate as well as disposing of surplus property and land in order to further the strategic aspirations of the Council. During the course of 2018/19, the Council has:

- Facilitated the improved utilisation of the Eastcroft Depot site through an agreement with Rushcliffe Borough Council who will be sharing accommodation and facilities
- Provided CityCare Partnership temporary accommodation at Loxley House ground floor (on a short-term let) that maximises the use of the building. This has provided a rental income during the planning phase off the new Customer Hub.
- Facilitated the accommodation of a new service, Selective Licencing at Isabella Street to maximise the use of the premises whilst providing accommodation that is more suitable for the Youth Justice Service to operate at NGY premises.
- Secured approval to proceed with "Unlocking Loxley 2019" which will lead to the rationalisation of accommodation and facilitate the redevelopment of both Angel Row and the Housing Aid site. The project will introduce "Smarter Working" that provides the opportunity to optimise office accommodation and be potentially rolled out over the Council.
- Secured suitable Council premises at Woolsthorpe to accommodate Health and Social Care Teams retaining funds within the Council
- Facilitated the phased closure and leasing out of Glenbrook Management Centre thereby reducing liabilities and generating income.

During 2019/20, work will continue to:

- Ensure that "Locality Services" are located in suitable accommodation within the areas they serve as part of Work Place Planning and the learning from the Smarter Working Programme
- Support Directorates in reducing financial liabilities through the assessment and review of service delivery options where asset management is a critical factor

9. Commercial Operations

The CAMP recognised that a number of operational properties deliver commercial services, but outlined the intention that "where premises are held solely for commercial operations the service will be responsible for the full cost of the premises". Although financial targets have provided a constraint to shift to this model, this area will continue to be a priority during 2019/20

10. Trading Accounts

The Council's Property Trading and Bridge Portfolios both operate as trading entities with no recourse to the General Fund. Income generated by these portfolios support the ongoing maintenance and liabilities of the estate. The funds generated by the Bridge Estate are set aside to fund works to the Bridges of Nottingham.

11. Property Trading Account

The Property Trading Account is a major contributor to the SAM Big Ticket financial target and continues to generate income for the City. To facilitate the delivery of the additional income target, capital funding was ring fenced to support new commercial property investment acquisitions. In view of capital pressures, the Property Trading Account focus will be to maintain current levels of income through the effective management of the existing portfolio.

12. Housing Revenue Account

The Council during the course of 2018/19 has been working with Nottingham City Homes (NCH) on new working arrangements and Service Level Agreements (SLA's). The aim of this is to drive standards up in the following areas over the next 10 years and to support the aspirations of the Council and will continue to be a focus of Asset Management:

- Income to the Council
- Maintenance of housing stock
- General property maintenance
- Supply and availability of affordable housing for citizens

13. Standards and Performance

The CAMP included an approach to develop standards and measure performance. In 2018, the Council's Maintenance Strategy was agreed and work has commenced to understand the full liability of the Council in respect to maintenance. Alongside this activity, in sourcing of works and effective procurement has already reduced costs although budgetary pressures exist across the overall operational maintenance budget.

A priority for 2019/20 is to drive performance and reduction of costs through Service Level Agreements, agreed Schedule of Rates and Performance Standards in respect to property related activity.

Tanya Najuk

Head of Strategic Asset Management

25 February 2019

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OVERVIEW AND SCRUTINY COMMITTEE
6 MARCH 2019
WORK PROGRAMME 2019/20
REPORT OF HEAD OF LEGAL AND GOVERNANCE

1 Purpose

- 1.1 To identify potential topics for the Committee to consider in 2019/20.

2 Action required

- 2.1 Members of the Committee are asked to come to the Committee with suggestions for reviews during 2019/20.

3 Background information

- 3.1 One of the main roles of the Overview and Scrutiny Committee is setting, managing and co-ordinating the overall programme of scrutiny work. This includes:
- mapping out an initial programme for scrutiny at the start of the municipal year;
 - monitoring progress against the programme throughout the year, and making amendments as required;
 - evaluating the impact of scrutiny activity and using lessons learnt to inform future decisions about scrutiny activity.
- 3.2 Effective work programming is an important element of an effective scrutiny function and can help influence work on issues of local importance. In setting the programme for scrutiny activity, the Committee should aim for an outcome-focussed work programme that has clear priorities and is matched against the resources available to deliver the programme.
- 3.3 For the 2019/20 municipal year it is proposed that the Committee consider a topic per meeting, leaving capacity to extend reviews where necessary, consider emerging issues, and attendance by Portfolio Holders to discuss Council Plan performance.
- 3.4 The work programme needs to be flexible so that issues which arise as the year progresses can be considered appropriately. Changes and / or additions to the work programme will need to take account of the resources available to the Committee.
- 3.5 Where there are a number of potential items that could be scrutinised in a given year, consideration of what represents the highest priority or area of risk will assist with work programme planning.

4 List of attached information

4.1 Overview and Scrutiny Committee Terms of Reference.

5 Background papers, other than published works or those disclosing exempt or confidential information

5.1 None.

6 Published documents referred to in compiling this report

6.1 None.

7 Wards affected

7.1 All.

8 Contact information

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Overview and Scrutiny Committee

- (a) To set, manage and co-ordinate the overview and scrutiny work programme to ensure all statutory roles and responsibilities accorded to the overview and scrutiny function, with the exception of health scrutiny, are fulfilled, including the ability to:
 - i. hold local decision-makers, including the Council's Executive, to account for their decisions, action and performance;
 - ii. review policy and contribute to the development of new policy and the strategy of the Council and other local decision-makers where it impacts on Nottingham residents;
 - iii. explore any matters affecting Nottingham and/ or its residents;
 - iv. make reports and recommendations to relevant local agencies with respect to the delivery of their functions, including the Council and its Executive;
- (b) to maintain an overview of key strategic issues relevant to Nottingham and its residents to inform decisions about the work programme so that it is focused on, and adds value by the examination of, issues of local importance and concern;
- (c) to monitor the effectiveness of the overview and scrutiny work programme and the impact of outcomes from overview and scrutiny activity, including the outcomes of review panels;
- (d) to work with other scrutiny committees, to support effective delivery of a co-ordinated overview and scrutiny work programme.
- (e) to establish a sub-committee known as the Call-In Panel to meet as required to consider call-in requests in accordance with the Council's Call-In Procedure;
- (f) to commission time-limited review panels (no more than 1 panel at any one time) to carry out a review of a matter within its remit. Commissioning includes setting the remit, initial timescale and size of membership to meet the needs of the review to be carried out. Such review panels will be chaired by the Chair of the Overview and Scrutiny Committee;
- (g) to consider requests for Councillor calls for action;
- (h) to receive petitions in accordance with the Council's Petitions Scheme;
- (i) to commission separate policy briefings to inform councillors about current key issues relevant to Nottingham, to aid decisions about the future overview and scrutiny work programme and prepare Councillors to undertake overview and scrutiny work that has already been commissioned;
- (j) to co-opt people from outside the Council to sit on the Committee or any review panels it commissions, to support effective delivery of the work programme.

The Committee has 12 members. Membership must not include members of the Executive Board. The Committee is politically balanced, with allocation of seats between political groups determined on a year by year basis.

Scheme of voting rights for co-opted members of overview and scrutiny

In accordance with Paragraph 12 of Schedule 1 to the Local Government Act 2000 (as amended by section 115 of the Local Government Act 2003) Nottingham City Council has agreed that non-statutory co-opted members of overview and scrutiny committees/panels may be given voting rights at the discretion of the relevant scrutiny committee.

1. The Scheme

- 1.1 The Council would like to draw on the experience and knowledge of people within Nottingham when undertaking its scrutiny function. While there will be occasions where non-voting co-opted members will add value to the scrutiny process, there are benefits to giving the co-opted members voting rights, including:
- giving a more active voice on behalf of the public in scrutiny;
 - improving the quality of decision making by including broader based views;
 - giving co-opted members the same status as the rest of committee and therefore encouraging an equal sense of ownership and involvement;
 - promoting a partnership approach to scrutiny.
- 1.2 This scheme enables the committees to give voting rights to non-statutory co-opted members of an overview and scrutiny committee/panel, if it so wishes. It does not mean that all non-statutory co-opted members will automatically be given voting rights.

2 Appointments

- 2.1 The committee will agree the process for selecting and appointing the non-statutory co-opted members.

3 When a Co-optee may vote

- 3.1 Where co-optees have been appointed as voting co-optees they may exercise a vote in considering items of business on agendas for the overview and scrutiny committee/panel to which they have been appointed.

4 General Principles

- 4.1 This Scheme and arrangements made in accordance with its terms shall be subject to review by Council, including upon recommendation from the Overview and Scrutiny Committee.
- 4.2 Co-opted members will be subject to the Members' Code of Conduct and must sign a declaration of office and complete a Register entry of any relevant interests.
- 4.3 Co-opted members will be entitled to allowances to assist with expenses in accordance with the Council's Members' Allowances Scheme.