

Nottingham City Council

Executive Board

Minutes of the meeting held at Ground Floor Committee Room - Loxley House, Station Street, Nottingham, NG2 3NG on 22 February 2022 from Time Not Specified - Time Not Specified

Membership

Present

Councillor David Mellen (Chair)
Councillor Cheryl Barnard
Councillor Rosemary Healy
Councillor Neghat Khan
Councillor Rebecca Langton
Councillor Adele Williams
Councillor Sam Webster
Councillor Linda Woodings
Councillor Kevin Clarke
Councillor Andrew Rule

Absent

Councillor Sally Longford (Vice Chair)
Councillor Eunice Campbell-Clark

Colleagues, partners and others in attendance:

Nancy Barnard - Governance and Electoral Services Manager
Mel Barrett - Chief Executive
Clive Heaphy - Corporate Director, Finance and Resources
Frank Jordan - Corporate Director, Resident Services
Sajeeda Rose - Corporate Director, Growth and City Development
Malcolm Townroe - Director of Legal and Governance
Catherine Underwood - Corporate Director, People

Call-in

Unless stated otherwise, all decisions are subject to call-in. The last date for call-in is 4 March 2022. Decisions cannot be implemented until the working day after this date.

100 Apologies for Absence

Councillor Eunice Campbell-Clark – personal reasons
Councillor Sally Longford – personal reasons

The Committee noted that Councillor Longford, who would normally have attended the meeting but who did not have reports to present on this occasion, had submitted apologies in the interests of supporting Covid safety in the current context of high infection levels.

101 Declarations of Interests

Councillor Rebecca Langton declared an other registerable interest in agenda item 17 as a member of Fairham Pastures Growth Board.

102 Minutes

The Committee confirmed the minutes of the meeting held on 18 January 2022 as a correct record and they were signed by the Chair.

103 City Centre Management of Public Spaces Protection Order

The Portfolio Holder for Neighbourhoods, Safety and Inclusion presented a report on the proposed three year extension of a Public Spaces Protection Order (PSPO) covering the City Centre. The following points were discussed:

- a) The original PSPO was introduced in March 2019 for a maximum of three years in response to concerns about behaviours having a detrimental effect on quality of life in the city centre. The existing order requires that, in the area identified in the order, individuals shall not participate in behaviours including obstructing building entrances and exits, offering the Big Issue for sale without authorisation, busking in a prohibited location and possessing or ingesting a psychoactive substance. Without an extension the existing order would expire on 17 March 2022.
- b) A six week consultation has been undertaken on the proposed extension of the PSPO involving a wide range of stakeholders, including those required to be consulted by regulations.
- c) Having undertaken formal public consultation, it was considered that the restrictions and requirements contained in the PSPO continue to be a reasonable and proportionate means of addressing the behaviours.

Resolved:

- (1) To note the evidence gathered, and the results of the formal consultation on the proposal to extend the Nottingham City Council Management of Nottingham City Centre Public Spaces Protection Order.**
- (2) To authorise the extension of the Public Spaces Protection Order so that it remains in effect for a further period of three years from 17 March 2022, being satisfied that the test in Section 60 of the Anti-Social Behaviour, Crime and Policing Act 2014 is met, and having regard to the rights of freedom of expression and freedom of assembly.**
- (3) To delegate authority the Director of Community Protection to carry out the necessary publication and arrange for current signage to be amended in accordance with legislative requirements.**

• Reasons for Decision

The existing PSPO is due to expire on 17 March 2022. If the PSPO was allowed to expire, the problem behaviours are likely to increase to the detriment of City Centre

residents, businesses and tourists, with Nottinghamshire Police Officers and Nottingham City Council Officers no longer being able to tackle the behaviours using the powers contained in the PSPO. Having undertaken formal public consultation, it is considered that the PSPO is a reasonable and proportionate means of addressing those behaviours. It is also considered that the test in Section 60 of the 2014 Act is met in respect of the proposed extension and having regard to the rights of Freedom of expression and Freedom of Assembly.

- **Other Options Considered**

To not to proceed with the proposed extension of the PSPO and allow it to expire: this option is rejected because there is strong evidence that the PSPO has been effective in reducing anti-social behaviour incidents across the area. The PSPO creates valuable enforcement powers for the Police and Council without which there are limited tools available to achieve the same impact. Relinquishing the current enforcement powers available is likely to result in an increased level of anti-social behaviour incidents in the City Centre.

The Council has undertaken consultation in relation to the proposed extension to the expiry date of the City Centre PSPO only. Any other potential amendment(s) to the PSPO would first require formal consultation, publicity and notification in accordance with the 2014 Act and such consultation must be authorised in accordance with the Council's Constitution. The PSPO will expire on 17 March 2022 if not first extended.

104 Safeguarding Adults Board Annual Report 2020/21

The Portfolio Holder for Adults and Health presented a report on the Safeguarding Adults Board Annual Report 2020-2021. The following points were discussed:

- a) The Safeguarding Adults Board is required to publish an annual report detailing how it has assured itself that local safeguarding arrangements and partners have acted to help and protect adults in its area who are Care Act eligible.
- b) The Safeguarding Adults Board has four strategic objectives: Prevention, Assurance, Making Safeguarding Personal and Board Performance, and the annual report details activity undertaken in furthering these aims during 2020/21.
- c) The report also provides a statistical overview of the safeguarding activity undertaken by adult social care in respect of type and number of safeguarding referrals received and number of Section 42 safeguarding enquiries undertaken. It also details how partner agencies have contributed towards the core strategic aims and provides an overview of the year's Safeguarding Adult Reviews.

Resolved to note the Safeguarding Adults Board's annual report for 2020/21.

- **Reasons for decision**

It is a statutory requirement that SABs “must publish an annual report detailing what the SAB has done during the year to achieve its main objective and implement its strategic plan, and what each member has done to implement the strategy as well as detailing the findings of any safeguarding adults reviews and subsequent action” (Care Act statutory guidance, Paragraph 14.136).

To provide Executive Board with assurance that local safeguarding arrangements and partners have acted to help and protect adults in the Council’s area who are Care Act eligible.

- **Other options considered**

As the report is a statutory requirement no other options were considered.

105 Admission Arrangements for Nottingham City Community Schools 2023/24

In the absence of the Portfolio Holder for Leisure, Culture and Schools, the Leader of the Council presented the report on Admission Arrangements for Nottingham City Community Schools. The following points were discussed:

- a) The admission arrangements are only for the community schools, not schools run by academies which retain the right to set their own admissions policies.
- b) The proposed admission arrangements for the 2023/24 school year for community schools are unchanged from those approved for the 2022/23 school year, to ensure fair access to school places and to give priority to local children.

Resolved to approve the proposed admission arrangements for the 2023/24 school year for community schools.

- **Reasons for decision**

Maintaining the Council’s 2021/22 admission arrangements will enable it to monitor the operation of the changes that were made to the 2021/22 arrangements, along with the arrangements of all admission authorities, including those academies, in order to make any changes for subsequent years on an informed basis.

- **Other options considered**

To change the admission arrangements. This option was rejected because the admission arrangements for 2021/22 and 2022/23 are effective for admissions to school from September 2021 and September 2022 respectively. It is therefore not yet possible to assess the impact of the changes that were previously introduced. Maintaining the Council’s admission arrangements for 2023/24 will enable it to monitor the operation of these changes, along with the arrangements of all admission authorities, in order to make any changes for subsequent years on an informed basis.

The option to change the admission arrangements from those agreed for the 2023/24 school year is therefore not felt to be necessary or viable.

106 Children's Social Care Service Redesign

The Portfolio Holder for Children and Young People presented the report on the redesign of Children's Social Care Services. The following points were discussed:

- a) The proposed redesign supports the development of children's services, seeking to support the Council's financial position and improve services to ensure we achieve the best outcomes for children.
- b) The proposals are aligned to the Medium Term Financial plan. Investment of up to £6,500,000 for a delivery partner over a 2-year period, and up to £2,400,000 for internal specialist resources over a 4-year period is required to deliver the redesign. The return on investment over an eight year period is expected to be £63.376m gross and £50.776m net.
- c) The objectives of the redesign would be to help families stay together more safely and with greater resilience using effective targeted interventions, to ensure the most timely and effective support is consistently provided from early help, to reduce bottlenecks and improve processes and ways of working, and to improve commissioning and recruitment processes around residential and foster carers.

Resolved to:

- (1) note the proposed investment and transformation programme set out in the report, and that the savings to be derived from the programme have been incorporated into the Medium Term Financial Plan and Budget Report.**
 - (2) approve the investment of up to £6,500,000 to procure a delivery partner to support the delivery of this programme pending a procurement process, as set out in section 2.3 of the report.**
 - (3) approve the investment of up to £2,400,000 for additional internal specialist resources to support delivery of this programme, as set out in section 2.3 of the report.**
 - (4) delegate authority to the Corporate Director for People to complete the procurement of a delivery partner and to allocate the budget set out in the report to deliver the service redesign programme.**
- **Reasons for the decision**

To support the implementation of a substantial programme of transformation, service redesign and improvement, within a critical area of statutory service.

The MTFP being presented as an agenda item at this meeting of the 22 February 2022 includes the financial benefits and if investment is not approved this will destabilise the budget position and change the assumptions in that report.

- **Other options considered**

Option 1: to do nothing. This option is rejected as there is significant risk to outcomes of residents and financial and reputational risk to the Authority if these opportunities to improve are not delivered.

Option 2: to undertake a transformation programme aimed at a smaller subset of services. This option is rejected because Nottingham City Council requires a transformation programme of sufficient size and scale to deliver improved and lower cost services. Undertaking only limited sections of the full identified opportunities within the October - November 2021 assessment would not achieve the necessary scale. There are also significant interdependencies between workstreams that would make the overall programme more difficult to deliver if not all done at once. For example, critical capacity from staff may be freed up through the Children in Need/Child Protection work that will support more timely and effective interventions with young people and their families.

Option 3: to undertake the transformation programme with only internal resources. This option is rejected because an experienced transformation partner will bring with them the wider expertise of an organisation that has conducted public sector, and Children's Services transformational changes across the country. In addition an experienced transformation partner would negate the requirement for Nottingham City Council to add significant additional transformation management capacity and capability resource. This would require hiring, onboarding, experiential learning and training before a transformation programme of this magnitude could begin. This would add a critical time delay to any programme and is likely to significantly reduce the magnitude of improvement achieved.

107 Medium Term Financial Plan 2022/23 to 2025/26

Resolution 4b is not subject to call in because the Chair of Overview and Scrutiny agreed that the decision is reasonable in all circumstances and should be treated as a matter of urgency. This is due to the timing of Executive Board and the Housing Act 1985 which requires tenants to receive 28 days' notice of any proposed rent increase.

The Portfolio Holder for Finance and Resources presented the report on the Medium Term Financial Plan 2022/23 to 2025/26. The following points were discussed:

- a) The budget process began with a funding gap of £38m for 2022/23, largely as a result of increased demand and cost in Children and Adults, decreased government funding and inflation. These are challenges faced by all councils and difficult choices were required to produce a balanced budget.
- b) A consultation was undertaken and in response to the feedback received as part of that process the following changes were made to proposals:

- Children's Centres - Officers are developing a detailed proposal for a new Children's Centre model based on retaining four centres under direct Council operation rather than the three in the original proposals.
 - Play & Youth services - proposal around staffing reductions, however, has been reconsidered and an additional 3 FTE staff will be retained, ensuring there are 15 youth workers plus a manager providing city-wide outreach.
 - Greyhound Street toilets would remain a free of charge service facility.
- c) The report proposes an overall Housing Revenue Account (HRA) of
- A forecast 2021/22 outturn surplus of £0.1m
 - Total HRA expenditure budget for 2022/23 of £111.1 million
 - An increase in rents of 4.1%
 - A proposed increase in general service charges of 4.1% in line with CPI
 - Closing working balance of £9.3 million in 2022/23
- 75% of tenants' will have the rent increases covered by housing benefit and measures are being taken to support recipients of Universal Credit and keep them out of technical arrears. Costs have increased due to the pay award, increasing energy costs, and fire safety regulations.
- d) Transformation forms a key part of balancing the MTFP with services being redesigned to ensure they are high quality and offer the best value for money. The approach supports the council in moving away from year on year cuts.
- e) A sustainable capital programme also forms a key part of the balanced MTFP. The Council has been successful in bidding for capital funding and in its asset management programme. The Council is adhering to the borrowing cap and voluntary debt reduction policy. Capital projects include the fit out of the new Central Library, new housing, a vehicle replacement scheme and school improvements. Schemes do not begin until the funding is secured.
- f) The following additional recommendation was submitted at the meeting for recommending to Council in response the governments' requirements relating to the Council Tax support scheme:

To approve the retention of the Council Tax Support Scheme currently in operation, amended to disregard the Government's £150 Energy Rebate Scheme payments for the financial year 2022/23, as required by The Council Tax (Demand Notices and Reduction Schemes) (England) (Amendment) Regulations 2022.

The Board extended its thanks to all Councillors and Colleagues involved in the delivery of a very challenging balanced budget.

Resolved to

(1) 2021/22 Forecast Outturn (Annex 1):

- a) note the current forecast outturn for 2021/22**
- b) approve budget virements of £3.4 million and a net use of reserves of £0.3 million as set out in Appendices B and C**

- c) approve the principle that any underspends achieved in 2021/22 are to be used to replenish reserves through the creation of a financial sustainability reserve.**

- (2) Revenue Medium Term Financial Plan 2022/23 to 2025/26 (Annex 2)**
 - a) recommend to City Council approval of the proposed General Fund revenue budget for 2022/23 with a net budget requirement of £227.6 million**
 - b) endorse proposals to set a Council Tax level (Band D) of £1,955.32**
 - c) recommend to City Council approval of the retention of the Council Tax Support Scheme currently in operation, amended to disregard the Government's £150 Energy Rebate Scheme payments for the financial year 2022/23, as required by The Council Tax (Demand Notices and Reduction Schemes) (England) (Amendment) Regulations 2022.**

- (3) Capital Programme 2021/22 to 2026/27 Element (Annex 3)**
 - a) recommend to City Council approval of the proposed Capital Programme for 2021/22 – 2026/27.**

- (4) HRA budget 2022/23 (Annex 4)**
 - a) recommend to City Council approval of the proposed HRA budget for 2022/23 as set out in Annex 4.**
 - b) approve the:**
 - i) Proposed rent increase of 4.1% for 2022/23;**
 - ii) Continuation of the tenant incentive scheme in 2022/23 of up to £0.5million per annum;**
 - iii) Proposed increase in general service charges of 4.1%.**
 - iv) Proposed increase to garage rents of 3.1%.**
 - v) Delegation of authority to Nottingham City Homes (NCH) to award capital contracts up to the value of the scheme/programme as set out in Annex 3.**

- (5) Robustness of the Medium Term Financial Plan (Annex 5)**
 - a) To note the report of the Council's Section 151 Officer in respect of the robustness of the estimates within the budget and the adequacy of reserves.**

- (6) Budget Consultation (Annex 6)**
 - a) To note the outcomes of the budget consultation and the Council's response.**

- (7) Schools Budget (Annex 7)**
 - a) To approve the in-year budget transfers and payments associated with the grant funding and the use of the reserve included in this report. This will not exceed the grant value.**
 - b) To delegate the authority to the Portfolio Holder for Finance & Resources and the S151 Officer to approve any final budget adjustments in conjunction with the Portfolio holder for Leisure, Culture & Schools and the Corporate Director (People).**

- (8) Transformation Programme (Annex 8)**

- a) **To approve the strategies being applied to the transformation programmes identified in Waves 1 & 2.**
 - b) **To note and endorse the wave 3 outline proposals for transformation subject to the approval of individual business cases.**
 - c) **To note that proposals are subject to consultation where appropriate.**
 - d) **To note that as these strategies are adopted, the outcomes and impacts will form part of further consultation and appropriate approval.**
 - e) **To note that the reduction in Full Time Equivalent posts is currently estimated and at this stage it is not possible to identify which posts are vacant. Clarity of this will form part of resolution 8b).**
 - f) **To note that the costs associated with delivery for Childrens service redesign is contained within a separate report presented to this board. If this proposal is not approved, this will impact on these budget proposals and the Council may not meet its legal requirement to set a legal budget for 2022/23 nor a balanced 4 year Medium Term Financial Strategy.**
- **Reasons for decisions**
The council must set a balanced budget each year, these proposals allow the Executive Board to recommend this budget to Council for approval at its March meeting. It also allows approval of the HRA and Schools Budget elements of the budget process.
 - **Other options considered**
Throughout the budget process a range of different options have been considered including various levels of council tax, investment and cost reductions. This is a complex process with many iterations and possibilities too numerous and detailed to present as discrete options here. This report presents the overall set of current draft proposals which together seek to balance levels of investment, income, cost reductions and an appropriate level of council tax.

108 Treasury Management Strategy 2022/23 and Capital Strategy 2022/23

The Portfolio Holder for Finance and Resources presented a report on the Treasury Management Strategy and Capital Strategy 2022/23. The following points were discussed:

- a) The Council is required to approve a Treasury Management Strategy covering the Treasury Management, Treasury Investment, Borrowing and Debt Repayment strategies and a Capital Strategy covering the framework for the Council's capital investment and financing decisions aligned to the Council's corporate priorities for the coming financial year.
- b) The Capital Strategy includes the voluntary debt reduction policy statement and debt policy. The borrowing and debt management strategies are intended to provide a sound framework for managing debt, to reduce the Council's future overall borrowing requirement and to reduce the level of debt held by the Council which is forecast to reduce by around £248m in the period 2022/23 to 2026/27. The Council also holds significant assets.

- c) The strategies will be taken to Full Council for approval in March based upon the recommendation of Executive Board.

Resolved to:

- (1) recommend for approval by the full City Council at its meeting on 7 March 2022 the overall Treasury Management Strategy for 2022/23 (Appendix 1 to the report), and, in particular:**
- a. the strategy for debt repayment (Minimum Revenue Provision Statement) in 2022/23 (section 5.2)**
 - b. the Borrowing Strategy including the Debt Policy (section 3.4)**
 - c. the Investment Strategy for 2022/23 (section 4)**
 - d. the Prudential Indicators and Limits for 2022/23 to 2024/25 (section 5.1)**
 - e. the current Treasury Management Policy Statement (section 5.3).**
- (2) recommend for approval by the full City Council at its meeting on 7 March 2022 the Capital Strategy 2022/23 (Appendix 2), including the Voluntary Debt Reduction Policy Statement (Appendix B to the report).**

• **Reasons for the decisions**

Approval of a Treasury Management Strategy is a legal requirement, to comply with:

- Financial Regulations and the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management by submitting a policy and strategy statement for the ensuing financial year
- guidance issued by the Secretary of State under section 15(1) (a) of the Local Government Act 2003 in approving, at Council, an Annual Investment Strategy before 1 April
- guidance issued by the Secretary of State under section 21 (1A) of the Local Government Act 2003 which requires the preparation of an annual statement of the Council's policy on making a Minimum Revenue Provision (MRP) for the repayment of debt.

The approval of a Capital Strategy is required to comply with:

- The Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code and the Code of Practice on Treasury Management
- regulations requiring the Council to have regard to the Code are issued under Part 1 of the Local Government Act 2003
- guidance issued by the Secretary of State under section 15(1) (a) of the Local Government Act 2003 in approving, at Council, an Annual Investment Strategy before 1 April.

• **Other options considered**

To do nothing. This option was rejected because the approval of a Treasury Management Strategy and Capital Strategy is a requirement of the CIPFA code. The Department of Levelling Up, Housing and Communities (DLUHC) formerly known as The Ministry of Housing, Communities & Local Government

(MHCLG) Guidance and the CIPFA Code do not prescribe any particular strategies for local authorities to adopt. The Chief Financial Officer, having consulted the Portfolio Holder, believes that the proposed strategies represent an appropriate balance between risk management and cost effectiveness.

109 Growth Hub Extension to June 2023

The Portfolio Holder for Skills, Growth and Economic Development presented the report on the extension of the Growth Hub to June 2023. The following points were discussed:

- a) The D2N2 Growth Hub provides business support to small and medium-sized enterprises (SMEs) across the region with the Council acting as the accountable body.
- b) The D2N2 Growth Hub project is currently funded through European Regional Development Fund (ERDF) funding until March 2022. The Department for Levelling Up, Communities and Housing has agreed that the Council can extend the project through a Project Change Request (PCR) to extend the project until to June 2023. This will allow continued delivery across D2N2, with a specific Nottingham part of the delivery to support businesses.
- c) The report seeks authority to accept a grant of £3,935,000 from the Department for Levelling Up, Communities and Housing to extend the Growth Hub 2 Project to June 2023.

Resolved to

- (1) accept a grant of £3,935,000 from the Department for Levelling Up, Housing and Communities to extend the Growth Hub 2 Project to June 2023.**
- (2) agree that the Council continues to act as the accountable body for the project until June 2023.**
- (3) delegate authority to the Director of Economic Development to negotiate the grant agreement with the Department for Levelling Up, Housing and Communities, to sign and enter into grant agreements with the delivery partners, and to allocate funding to those partners in order to fulfil the project.**

- **Reasons for the decisions**

Strategic: The Nottingham Growth Hub directly delivers the Council Plan priority to support all businesses and help the local economy grow to support jobs growth. It is also an overt part of the Nottingham Economic Recovery and Renewal plan and has provided essential support for businesses as part of the Covid response over the last two years. Current funding only runs until March 2022, this extension therefore would enable the project to continue delivering until June 2023.

Economic: The Growth Hub supports jobs growth and has engaged with over 10,000 businesses across D2N2 in the past 5 years of existence (of which around 2,500 have been in Nottingham), helping to deliver economic benefits. This project extension will deliver £1.5 million of grants to businesses, and support directly 400 new businesses, and helps create a further 65 new jobs. Over 200 new businesses will receive high level intensive support (either a grant or over 12 hour of business advisors support) which is a core element of Growth Hub delivery.

Financial: The project uses match funding that already is approved for the Growth Hub, and supports 13 jobs in the city council and the extension alone brings in £7 million of funding for the city/region. Part of the funding supports other roles in the city in finance and management, and without this, the service would be severely cut back. The expectation is that Shared Prosperity Funding from 2023 will enable the service to continue post this last EU funding for the Growth Hub. The remaining 50% will be provided through partner match funding as follows: £3.151 million from match funding generated through SMEs via the grant scheme, £125,000 from income generated via Economic Development foresight investment income to fund the Growth Hub (already agreed via Delegated Decision 4488 in January 2022) and £659,467 from partner match funding (East Midlands Chamber, Nottinghamshire County Council, Erewash Borough Council, Derbyshire County Council, Derby City Council and Derbyshire Dales District Council). The extension is anticipated to start 1 April 2022, and runs until 30 June 2023.

Operational: This is the continuation of an existing project, with all roles currently recruited to and delivering. The project extension would enable an extension of these roles until June 2023. The project to date has delivered to target, and there is therefore an expectation that it will continue to do so for the period of the extension. Revised partnership agreements will be created as required to deliver the extension.

Partnership: The Growth Hub is a partnership project across D2N2 area, with 6 other local authorities and the East Midlands Chamber of Commerce as key delivery partners. This brings in incremental funding to the project through grants from the Department for Business, Energy and Industrial Strategy (BEIS). This BEIS funding funds workshops and Peer-to-Peer networks to the benefit of the whole partnership. The D2N2 Growth Hub is not dependent on continuation of the D2N2 Local Enterprise Partnership (LEP), which are currently being reviewed by Government, but the project today is supported on strategic management by the Business and Innovation Manager at the LEP.

- **Other options considered**

To not accept the funding. This option is rejected as this funding allows for one of the key economic development projects for Nottingham and the region.

To not be the accountable body. This option is rejected as this is unlikely to be accepted by the funders and would jeopardise the project for Nottingham and other delivery partners. Changing now would create reputational damage that could affect credibility in future funding decisions.

To invest more in the project. This is not required and not possible given the Council's financial position and budget constraints, so this option is rejected.

To request more or longer grant funding. This option is rejected as the DLUCH has clearly indicated that this is the maximum grant funding allowed within the small window remaining to spend ERDF/EU funding.

110 Development of Oakdene, St Ann's for New Council Housing

The Portfolio holder for Housing, Planning and Heritage presented the report on the development of Oakdene, St Ann's for new Council Housing. The following points were discussed:

- a) The report proposes that Nottingham City Homes (NCH) Limited develops the site of the former Oakdene Day Centre on Woodborough Road, St Ann's with around 24 new Council homes to be let at affordable rents. The homes will be held within the Housing Revenue Account (HRA) and funded through a combination of Right to Buy Replacement Fund receipts, Section 106 monies and prudential borrowing.
- b) This is subject to the contractors' tenders being within the Council's funding envelope set out in the Exempt Appendix, and the demonstration of value for money.
- c) The development will contribute towards achieving the Council's commitment to increase the number of social, affordable and homes for the homeless by 1,000 by 2023. There is high demand for new housing in the area and the development will help deliver energy efficient Council Housing.

Resolved to

- (1) approve the budget for the construction of around 24 new Council homes and associated costs within the funding envelope set out in the Exempt Appendix, with the corresponding amendment to the Housing Revenue Account capital programme.**
- (2) agree that the Prudential Borrowing savings from the amended scheme at Oakdene are set aside to mitigate cost inflation within other approved new build schemes, and that any net borrowing savings are to be taken as a Capital Programme reduction and incorporated in the Council's Voluntary Reduction Policy.**
- (3) utilise uncommitted Section 106 monies towards the cost of the scheme, in order to protect the contributions from being returned or refunded, and use them in the development of new affordable housing.**
- (4) note that, in accordance with the recently issued Section 114 Notice, management controls are being applied prohibiting the Council entering in to new agreements and spending commitments with Nottingham City Homes unless expressly approved in writing by the Section 151 Officer,**

in consultation with the Chief Executive and the Monitoring Officer, as appropriate, and that the Section 151 Officer has confirmed the proposal outlined in this report represents an appropriate use of Housing Revenue Account funds.

- **Reasons for the decisions**

This proposal supports the Council's housing strategy, 'Quality Homes for All' (2018- 21) in providing good quality Council homes and will contribute towards achieving the Council's commitment to increase the number of social, affordable and homes for the homeless by 1,000 by 2023.

The site at the former Oakdene Day Centre was declared surplus to requirements for the Children and Adults department on 2 October 2019 (through Delegated Decision 3663) and the building has been demolished.

The principle of utilising the Oakdene site for new Council housing was established in Delegated Decision 3896, which approved the construction of 48 new Council homes on the site. The original scheme did not progress as the tender process and emergent design issues indicated that the scheme costs could not be contained within the approved financial envelope. As the revised scheme and its budget is significantly different from that approved by this decision, a new approval is being sought.

The Council has accumulated Right to Buy Replacement Funds, which can be used to meet up to 40% of the cost of developing new affordable housing. If this funding is not spent within five years of receipt it has to be paid to central Government plus interest above the base rate. This development will be eligible for this funding as they are a net gain of affordable homes. The Council has also accumulated Section 106 affordable housing contributions in the form of commuted sums from developers, which can be spent on the delivery of new affordable housing on sites other than those which the contribution arose from, and are required to be committed with a set time frame. This development is eligible for Section 106 affordable housing spend.

The scheme will create better connected and safer neighbourhoods by improving the quality of the built environment, and through the Secure by Design framework, which will help to both reduce crime and the fear of crime.

- **Other options considered**

To do nothing. This option is rejected as development will contribute towards meeting the Council's housing delivery targets, as well as providing much needed new social homes for rent. It will also maximise the benefit of a Council owned asset.

To carry out a market sale. This option is rejected as it would not provide the Council with a necessary degree of control over the quality and delivery of the new housing and would result in fewer affordable housing units, which are much in demand in this area of the City.

To develop the site with 48 apartments, based on the original scheme for which planning permission had been secured. This option is rejected as it would require an increase in the funding envelope and there were concerns about the buildability of the original scheme designs

111 Exclusion of the Public

The Board decided to exclude the public from the meeting during consideration of the remaining agenda items in accordance with Section 100A(4) of the Local Government Act 1972 on the basis that, having regard to all the circumstances, the public interest in maintaining the exemption outweighed the public interest in disclosing the information, as defined in Paragraph(s) 3 and 5 of Part 1 of Schedule 12A to the Act.

112 Exempt Minutes

The Committee confirmed the exempt minutes of the meeting held on 18 January 2022 as a correct record and they were signed by the Chair.

113 Children's Social Care Service Redesign - Exempt Appendix

Resolved to note the exempt appendix to item 14.

114 Treasury Management Strategy 2022/23 and Capital Strategy 2022/23 - Exempt Appendix

Resolved to note the exempt appendix to item 15.

115 Development of Oakdene, St Ann's for New Council Housing - Exempt Appendix

Resolved to note the exempt appendix to item 16.

116 Fairham Pastures Development - Land Transaction - Exempt Report

The Portfolio Holder for Strategic Regeneration and Communications presented an exempt report on the Fairham Pastures Development.

Resolved to approve the recommendations as set out in the exempt report.

- **Reasons for the decision**

As set out in the exempt report.

- **Other options considered**

As set out in the exempt report.