

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

Reference Number:

3896

Author:

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Department:

Development and Growth

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Subject:

Development of Oakdene, Woodborough Road, St Anns for new Council housing.

Key Decision (decision valued at more than £1million):

Yes

Total Value:

See exempt appendix (Type: Capital)

Decision Being Taken:

1. To approve the budget for the construction of 48 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. To authorise Nottingham City Homes (NCH) to act as the City Council's developer agent and tender and manage contractors on NCC's behalf, and for NCC to enter into contract for the work to develop the site.

**Reasons for the Decision(s)**

**1.1 This proposal supports the City Council's housing strategy, Quality Homes for All (2018-2021) in providing quality Council homes.**

**1.2 This development will contribute 48 new homes towards achieving the Council's commitment to build or buy 1,000 Council or social homes for rent by 2023.**

**1.3 The Covid-19 pandemic is significantly increasing economic and housing market uncertainty (which acts as a break on new investment), disrupting construction activity and having a direct impact on local labour market activity, notably in terms of increased lay-offs, unemployment and economic inactivity in Nottingham. This is having important knock-on effects on consumer spending and investment which are dampening economic activity more broadly.**

**The importance of Council/social housing to the economic and wellbeing and prosperity of our city is therefore highly significant at this time for three key reasons:**

- Firstly, the growing importance of skills to Nottingham's economic performance means that getting the right housing offer, including affordable housing, is essential to attracting and retaining a skills base that will encourage inward investment**
- Secondly, by aligning our strategies for housing and economic development the City Council has a strong track record of increasing the likelihood that efforts to address deprivation will be supported by measures to address the underlying economic causes of area deprivation. We have found that co-ordinating regeneration and economic development interventions maximises the potential for achieving a virtuous circle that can deliver greater economic inclusion**
- Finally, housing investment in of itself can be a powerful driver of local economic activity through direct investment in house-building and refurbishment which in turn generate significant economic multiplier-effects via supply chains and increasing disposable income and therefore consumption of local goods and services.**

**1.4 The homes will be carbon efficient with a fabric first approach. The homes will be energy efficient with an aim to attain an 'A' SAP rating. Car charging points and solar panels will be provided on homes where appropriate.**

**1.5 The site at the former Oakdene Day Centre was declared surplus to requirements for the Children and Adult's department on 2 October 2019 (Delegated Decision ref 3663).**

**1.6 The principle of developing the Oakdene site for new Council housing was established in Delegated Decision ref 3684, which allocated prestart works to sites at Chingford, Beckhampton Road and Oakdene.**

**1.7 Within the above mentioned report, authority was delegated to the Director of Strategic Assets and Property to finalise the terms of the appropriation from the General Fund into the HRA.**

**1.8 A planning application has been submitted by Nottingham City Homes, acting as the City Council's development agent, for 48 x 1 bedroom flats. The scheme is currently under consideration, therefore there is a risk that scheme design and detail is subject to change. The proposed development will provide much needed new, high quality social homes for affordable rent for people on the Housing waiting list. It will also make a constructive use of a currently vacant and demolished site, which is on a key arterial route to the north of the City Centre on Woodborough Road. The site will be appropriated to the HRA from the General fund.**

**1.9 The Council has accumulated Right to Buy replacement funding which can be used to meet up to 30% of the cost of developing new affordable housing. If this funding is not spent within three years of receipt it has to be paid to Central Government plus interest above base rate. This development will be eligible for this funding as it is a net gain of affordable homes.**

**1.10 The scheme has been endorsed for recommendation by the Building a Better Nottingham Steering Group in May 2020.**

**1.11 Local ward Councillors have been consulted and are supportive of the scheme.**

**1.12 The statutory planning process is currently underway and this gives local residents and stakeholders an opportunity to make representations.**

**1.13 NCH will act as the Council's development agent and ensure procurement compliance with national and organisational legislation.**

**Other Options Considered:**

- 1. Do nothing. This was 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.**
- 2. Market sale. This option was rejected because 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 in much demand in this part of the City.**

**Background Papers:**

**Published Works:**

**Affected Wards:**

**St Ann's**

**Colleague / Councillor Interests:**

**None known.**

**Any Information Exempt from publication:**

**Yes**

**Exempt Information:**

**Description of what is exempt:**

**Financial information and legal advice.**

**An appendix (or appendices) to this decision is exempt from publication under the following paragraph(s) of Schedule 12A of the Local Government Act 1972**

**3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).**

**The public interest in maintaining the exemption outweighs the public interest in disclosing the information because it may prejudice contractual negotiations and impact future trading.**

**5 - Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.**

**The public interest in maintaining the exemption outweighs the public interest in disclosing the information because it contains information in respect of which a claim to legal professional privilege could be maintained in legal proceedings relating to a proposed transaction and, having regard to all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.**

**It is not in the public interest to disclose this information because it contains confidential legal advice in respect of the proposed transaction and disclosure could prejudice the Council's position.**

**Documents exempt from publication:**

**Enc. 1 Exempt appendix - Finance - Oakdene affordable homes FINAL.docx, Exempt Appendix Legal Oakdene 13.5.20v3.docx**

**Consultations:**

**Date: 10/03/2020**

**Ward Councillors: David Liversidge, Sue Johnson, Chantal Lee**

**All Councillors are supportive of the proposal.**

**Those not consulted are not directly affected by the decision.**

**Crime and Disorder Implications:**

**This scheme makes use of a currently vacant and hoarded site, therefore it should reduce the opportunities for ASB and nuisance.**

**Equality:**

**EIA not required. Reasons: No change to policy or function.**

**Relates to Council Property Assets:**

**Yes**

**Decision Type:**

**Leader's Key Decision**

**Subject to Call In:**

**Yes**

**Call In Expiry date:**

**15/06/2020**

**Advice Sought:**

**Legal, Finance**

**Legal Advice:**

**This advice is exempt from publication and is contained within an exempt appendix Advice provided by Mick Suggett (Team leader: Conveyancing) on 14/05/2020.**

**Finance Advice:**

**This advice is exempt from publication and is contained within an exempt appendix.**  
**Advice provided by Julie Dorrington (Senior Accountant (Housing Revenue Account)) on 02/06/2020.**

**Property Advice:**

**The scheme to be developed at Oakdene is considered to be market facing and the site is to be appropriated to the HRA at Market Value**  
**Advice provided by Rodney Alan Martin (Development Manager) on 19/05/2020.**

**Signatures:**

<b>David Mellen (Leader/ PH Regeneration, Safety and Communications)</b>
<b>SIGNED and Dated: 06/06/2020</b>
<b>Chris Henning (Corporate Director for Development and Growth)</b>
<b>SIGNED and Dated: 04/06/2020</b>