

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	4441
Author:	Margaret Coward
Department:	Growth and City Development
Contact:	Margaret Coward (Job Title: Senior Regeneration Officer, Email: margaret.coward@nottinghamcity.gov.uk, Phone: 01158762142)
Subject:	Acceptance of Central Government Grant funding and site preparation works at Innovation House, Colwick Road and Robin Hood Chase
Total Value:	£222,000 (Type: Capital)
Decision Being Taken:	<ol style="list-style-type: none">1. To accept a Central Government grant and enter into an associated funding agreement to fund a discrete package of site preparation works for the sale of three Council owned sites for residential development.2. To delegate authority to the Corporate Director of Growth and City Development to procure surveys and to seek quotes and to instruct contractors for demolition works required to develop the sites.
Reasons for the Decision(s)	<p>Nottingham City Council have been awarded a grant from the One Public Estate's Brownfield Land Release Fund (BLRF) aimed at accelerating residential development on sites in public ownership. The grant has been awarded for three sites:-</p> <ol style="list-style-type: none">1. Innovation House, Daleside Road. This is a vacant two storey building, in need of substantial repair, which occupies a strategic site in the Waterside Regeneration Area. It has been included on the Council's disposal list. The funding would pay for demolition of the building.2. Colwick Road. This is a small site adjacent to Colwick Woods Court tower block comprising amenity land in Housing Revenue Account ownership and highways land incorporating a former turning head for buses and a redundant public toilet block. The funding would cover demolition of the toilet block, site investigations, and stopping up of the turning head to give confidence to developers when marketed.3. Robin Hood Chase. The under-utilised precinct of shops in need of substantial repair, and is currently under assessment as to its onward viability and future. The funding could contribute towards the costs of site clearance, should this be the selected route.
Briefing notes documents:	NOt for publication - Briefing note for DDM.docx

Other Options Considered:	The option of not accepting the BLRF grant was rejected as it would reduce the resources available to the Council to prepare the sites for disposal and carry out enabling works which would maximise the capital receipts to the Council by delivering cleared sites. It would also reduce the chances of the Council meeting its revised housing delivery targets.
Background Papers:	BLRF award letter
Unpublished background papers:	Nottingham City Council_BLRF Funding Letter.pdf, Grant Funding Agreement Brownfield Land Release Fund - Nottingham City Council_ (003).docx
Published Works:	None
Affected Wards:	St Ann's
Colleague / Councillor Interests:	None known
Consultations:	<p>Date: 18/10/2021</p> <p>Ward Councillors: Gul Khan, David Liversidge, David Mellen, Sue Johnson, Neghat Khan</p> <p>Councillors were informed of BLRF grant award and briefed on the sites in question by email w/c 11/10/21. Councillor Mellen expressed support for the schemes at Capital Board on 18/10/21.</p>
	<p>Date: 18/10/2021</p> <p>Other City Council Bodies:Capital Board</p> <p>Board supported acceptance of the grant</p>
	<p>Date: 18/10/2021</p> <p>Chief Finance Officer:Clive Heaphy</p> <p>Signed funding agreement accepting grant following Capital Board approval on 18/10/21</p>
	Those not consulted are not directly affected by the decision.
Crime and Disorder Implications:	The proposed development of the sites will reduce the risk of anti-social behaviour, fly-tipping and unauthorised occupation on the sites.
Equality:	EIA not required. Reasons: An EIA is not required as the proposal does not result in any changes to policy, service or functions.
Relates to Council Property Assets:	Yes

Decision Type: Portfolio Holder

Subject to Call In: Yes

Call In Expiry date: 23/11/2021

Advice Sought: Legal, Finance, Procurement, Property

Legal Advice:

This grant is being awarded under s.126 Housing Grants, Construction and Regeneration Act 1996 and the Council will be required to ensure that the use of the funds remains within the remit of this provision. The Council may accept the funding under s.1 Localism Act 2011 and its general power of competence.

The funding is subject to conditions and the Council must ensure that it complies with these in order to avoid any risk of claw back. In addition the Council will need to comply with any final funding agreement and this should be sent to Legal for review before signing.

The spend of the funding must be in accordance with the Council's Contract Procedure Rules under Article 18 of the Council's Constitution.

Advice provided by Naomi Vass (Senior Solicitor) on 28/10/2021.

Finance Advice:

The projects contained within this approval will be added to the 21/22 Capital Programme following the approval of this decision. Each scheme will be allocated the budget as presented to the Capital Board October 21 Capital Board.

Prior to contractually committing to the identified schemes a full financial model is to be prepared to ensure it can be delivered within the identified budget and the site will be disposed by March 2024, failure to do so will trigger grant clawback. If the elements of the grant are repaid a further decision is required to identify any how any actual capital pressure will be funded.

Once cleared the identified sites will be included in the asset rationalisation process with any capital receipts being used in accordance with the Capital Strategy.

These projects have been endorsed by the Capital Board and due to having no requirement for match funding it is outside the amended scheme of delegation.

Advice provided by Tom Straw (Senior Accountant - Capital Programmes) on 26/10/2021.

Property Advice:

The Brownfield Land Release Fund project is a positive for the Council, it will allow the demolition of problem and costly buildings and will facilitate an easier disposal. The funding will facilitate surveys and demolition works which will provide cleared sites for buyers which is always preferred. The demolition will also limit ongoing void holding costs to the Council in the form of security and void business rates.

The sites forming part of the bit have been vacant for some time and are largely uneconomic to repair and re-let which makes demolition and re-use the preferred course of action. Any surveys undertaken as part of this work and demolition certification should be capable of novation to any future buyers.

The acceptance of this funding is supported by Property Services. Advice provided by Beverley Gouveia (Estates Surveyor) on 01/11/2021.

Procurement Advice:

There are no significant procurement concerns with the decisions being sought. Appointments of consultants for surveys and contractors for the demolition works must be made in accordance with Contract Procedure Rules, and the client team should seek advice from Corporate Procurement to ensure this is done compliantly. Advice provided by Jonathan Whitmarsh (Lead Procurement Officer) on 01/11/2021.

Signatures

Linda Woodings as Portfolio Holder (PH Housing, Planning and Heritage)
SIGNED and Dated: 16/11/2021
Sajeeda Rose (Corporate Director of Growth & City Development)
SIGNED and Dated: 02/11/2021