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NOTTINGHAM CITY COUNCIL

EXECUTIVE BOARD

MINUTES of the meeting held at Loxley House, Station Street, NG2 3NG on 24 February 2015 from 2.00 – 2.25pm

Membership

Present

Councillor Alan Clark
Councillor Jon Collins (Chair)
Councillor Nicola Heaton
Councillor Dave Liversidge
Councillor Nick McDonald
Councillor David Mellen
Councillor Dave Trimble
Councillor Jane Urquhart

Absent

Councillor Graham Chapman
Councillor Alex Norris

Colleagues, partners and others in attendance:

Richard Beckett	-	Commercial and Governance Manger
Candida Brudenell	-	Strategic Director of Early Intervention
Glen O'Connell	-	Acting Corporate Director of Resources
Simon Down	-	Business Change Manager
Sue Flack	-	Director of Planning and Transport
Tracey Laxton	-	Acting Business Administration Manager
Mark Lowe	-	Regeneration Manager
Alan Parker	-	Regeneration Officer
Karen Shaw	-	Local Development Framework Manager
Keri Usherwood	-	Marketing and Communications Manager
Ian Vernalls	-	Project Manager (Major Programmes)
Geoff Walker	-	Acting Director of Strategic Finance
Zena West	-	Governance Officer

Call-in

Unless stated otherwise, all decisions are subject to call-in and cannot be implemented until **4 March 2015**.

82 APOLOGIES FOR ABSENCE

Alison Michalska
Councillor Norris – Other Council Business
Councillor Chapman – Other Council Business

83 DECLARATIONS OF INTEREST

None

84 MINUTES

The Board confirmed the minutes of the meeting held on 20 January 2015 as a correct record and they were signed by the Chair.

85 NEW BUILD TENDER AWARDS FOR MEADOWS AND CRANWELL ROAD - KEY DECISION

The Board considered the Portfolio Holder for Community Safety, Housing and Voluntary Sector's report seeking approval for funding of 48 new build homes at the Cranwell Road site, and 54 new build homes at the Meadows site.

As part of the changes to the Housing Revenue Account system, the Council has the opportunity to remove from use a number of Council homes in the worst condition, and to build back a mix of new homes that will support the Council's ambition to provide high quality family housing.

An additional paragraph to the report was presented verbally at the meeting, paragraph 2.14, to read: The total budget for the scheme includes a client contingency to cover items such as abnormal ground conditions. This contingency will be overseen by the Building a Better Nottingham Steering Group who will consider applications to it, before advising the Portfolio Holder for Community Safety, Housing and the Voluntary Sector on how it can be applied to the scheme. This will provide an additional level of transparency and cost control to the scheme budget.

RESOLVED to:

- (1) approve the additional funding of £1.338 million required for the build of 48 new build homes at the Cranwell Road site, and 54 new build homes at the Meadows site;**
- (2) delegate authority to the Portfolio Holder of Community Safety, in consultation with the Deputy Chief Executive/Corporate Director for Development and Growth and the Director of Legal and Democratic Services, to sign the contract for the build work for the Cranwell Road and Meadows sites, subject to costs being within the approved sum.**

Reasons for decision

There has been an increase in anticipated costs since the original approval for this scheme in April 2014. This is due to the addition of an extra property and inflation of construction costs.

Other options considered

Not redeveloping these sites was rejected because it does not meet the Council's ambition to provide high quality housing and to regenerate Nottingham's neighbourhoods.

Reducing the specification of the houses to bring them back within the original approval limits was rejected because it does not meet the Council's objective to provide high quality housing for tenants.

86 IT SERVICE IMPROVEMENT PROGRAMME - KEY DECISION

The Board considered the Deputy Leader/Portfolio Holder for Resources and Neighbourhood Regeneration's report seeking approval of the IT Service Improvement Programme.

In several key areas the Council's IT Service has run installed infrastructure to the end of its useful life. Investment is now required to enable the Council to operate a technical environment that is fit for purpose.

RESOLVED to:

- (1) approve the IT Service Improvement;**
- (2) approve allocation of funding for the IT Service Improvement Programme from the Capital Programme and IT Efficiency Fund.**

Reasons for decision

The Improvement Programme will ensure that a continuing high level of IT service will be delivered to support the work of the City Council, and help to ensure that services of sufficient quality are provided to citizens.

Other options considered

Do nothing was rejected as the quality of IT provided to colleagues will decline and result in an adverse impact on services provided to citizens.

87 TREASURY MANAGEMENT 2015-16 STRATEGY

The Board considered the Deputy Leader/Portfolio Holder for Resources and Neighbourhood Regeneration's report seeking recommendation to Council of approval of the Treasury Management Strategy 2015/16.

The associated Prudential Indicators are shown within the appendices to the report, along with existing risks.

RESOLVED to endorse and recommend for approval by City Council at its meeting on 9 March 2015 the overall Treasury Management Strategy for 2015/16 as detailed in appendix 1, in particular the;

- a. strategy for debt repayment (Minimum Revenue Provision) in 2015/16, as detailed in appendix 4;**
- b. Investment Strategy for 2015/16, as detailed in appendix 1;**
- c. prudential indicators and limits for 2014/15 to 2017/18, as detailed in appendix 3;**
- d. current Treasury Management Policy Statement, as detailed in appendix 5;**
- e. proposed use of forward starting loans, as detailed in appendix 9.**

Reasons for decision

Approval of a Treasury Management Strategy is a legal requirement.

Other options considered

No other options were considered, as approval of a Treasury Management Strategy is a legal requirement.

88 APPROVAL OF THE NOTTINGHAM LOCAL FLOOD RISK MANAGEMENT STRATEGY

The Board considered the Portfolio Holder for Planning and Transport's report seeking endorsement and referral to Council for approval of the Nottingham Local Flood Risk Management Strategy.

The Nottingham Local Flood Risk Management Strategy outlines the future actions that the City Council proposes to deliver, subject to funding, to reduce the risk of flooding to citizens.

RESOLVED to:

- (1) endorse the Nottingham Local Flood Risk Management Strategy and refer the Strategy to Full Council for approval;**
- (2) note that the future funding and a proposed programme of implementing capital measures will be presented to Executive Board at a later date once Central Government has confirmed the City Council's Flood Defence Grant in Aid settlement.**

Reasons for decision

The Council has a statutory duty to produce a Flood Risk Management Strategy.

Other options considered

None, producing a Flood Risk Management Strategy is a statutory duty.

89 DEVELOPMENT OF NOTTINGHAM ENERGY PARK - KEY DECISION

The Board considered the Deputy Leader/Portfolio Holder for Resources and Neighbourhood Regeneration and the Portfolio Holder for Energy and Sustainability's report seeking approval to lease land at Blenheim Lane to Bulwell Energy Ltd and Chinook Sciences Ltd for the Creation of Nottingham Energy Park.

RESOLVED to:

- (1) approve in principal the lease of land at Blenheim Lane, Bulwell to Bulwell Energy Ltd for the development of a gas pyrolysis Energy from Waste facility;**

- (2) approve in principle the lease of land at Blenheim Lane, Bulwell to Chinook Sciences Ltd for the development of a manufacturing plant, research and development facility and office complex;**
- (3) delegate authority to the Head of Legal Services and the Corporate Director of Community Services to approve the leases following receipt of all necessary documentation and assurances.**

Reasons for decision

Chinook Sciences Ltd have secured planning consent and wish to enter into a lease on the manufacturing part of the site in order to start development.

Bulwell Energy Ltd is a purpose designed subsidiary of Chinook Sciences Ltd, responsible for building and operating the Energy from Waste component of the proposed development. They wish to enter into a lease in order to start that part of the site.

Other options considered

Doing nothing was rejected, as the site would remain undeveloped and the employment and regeneration benefits would not be achieved.

Marketing the site for general employment use was rejected, as this would diminish the opportunity to develop the site for specialist use, and would not support the City Council's ambition to be recognised as a market leader in renewable energy.

Undertaking the development in-house was rejected, as it would involve a significant capital outlay, and involve taking on the risk of sourcing materials and tenants for the manufacturing part of the site.

90 APPLICATION FOR DESIGNATION OF A NEIGHBOURHOOD AREA AND FORUM FOR THE SNEINTON AREA - KEY DECISION

The Board considered the Portfolio Holder for Planning and Transportation's report seeking approval of the designation of a Sneinton Neighbourhood Area.

The Neighbourhood Area application, presented by the Sneinton Neighbourhood Forum, represent the first stage in the preparation of a Neighbourhood Plan

RESOLVED to:

- (1) note the results of the statutory consultation on the applications for designation of a Neighbourhood Area and Forum for Sneinton;**
- (2) note the further representations made by the Chair of the Sneinton Neighbourhood Forum regarding the proposed amendments to the Neighbourhood Area Boundary;**
- (3) approve the designation of the Sneinton Neighbourhood Forum;**

- (4) approve the designation of the amended Sneinton Neighbourhood Area, as shown in Appendix D, excluding the following strategic development sites contained within the emerging Land and Planning Policies Document (Local Plan Part 2): Waterside – Daleside Road (Eastpoint), Creative Quarter – Bus Depot, Creative Quarter – Sneinton Market and Brook Street East):**
 - a. land to the south of the railway (except for the residential enclave around Bendigo Lane);**
 - b. land to the west of A612 Manvers Street;**
 - c. land to the north of the B686 Carlton Road;**

- (5) note the cost implications for the City Council that the production of a Neighbourhood Plan entails and agrees that any expenditure in excess of government funding (available to local authorities for Neighbourhood Planning purposes) be met from the Area Committee East budget allocation.**

Reasons for decision

The City Council is required to determine the designation of the applications for a Neighbourhood Area and Forum for Sneinton in accordance with the Neighbourhood Planning (General) Regulations 2012 s.61 4F and 4G.

Other options considered

No other options were considered, as the City Council has a legal obligation to determine the designation of the applications for a Neighbourhood Area and Forum.

91 ARKWRIGHT WALK AND BLACKSTONE WALK REDEVELOPMENT PROPOSALS

The Board considered the Deputy Leader/Portfolio Holder for Resources and Neighbourhood Regeneration and Portfolio Holder for Community Safety, Housing and Voluntary Sector's report seeking approval to tender for a partner to redevelop Arkwright Walk and Blackstone Walk.

The proposals will improve accessibility and prominence, and re-create a key link between the City Centre and Trent Bridge.

RESOLVED to:

- (1) approve the use of a restricted OJEU (Official Journal of the European Union) tender process to procure a private sector partner to develop a high quality residential scheme of market sale homes on decommissioned sites on Blackstone Walk/Manifold Gardens and along Arkwright Walk in The Meadows;**

- (2) approve the general scheme requirements in Appendix 1 and the draft development principles in Appendix 2, which will allow limited vehicular access to the new developments;**

- (3) delegate authority to Deputy Chief Executive/Corporate Director for Development and Growth in consultation with the Deputy Leader/Portfolio Holder for Resources and Neighbourhood Regeneration to award the contract to the preferred bidder, agree the scheme details and finalise the terms of the development agreement (including disposal of the land);**
- (4) approve the proposal to relocate the garden and play area at Crocus Fields Children's Centre to create a through route for pedestrians and cyclists only along Arkwright Walk;**
- (5) delegate authority to the Deputy Chief Executive/Corporate Director for Development and Growth to submit a planning application for the Crocus Fields changes, draw down funding of £165,000 and procure contractors to carry out the works using appropriate frameworks.**

Reasons for decision

To widen the housing offer and help create a more sustainable and balanced community by creating homes for market sale. A private developer partner will be able to deliver a high quality residential scheme of family homes and a limited number of apartments.

Other options considered

Sale of the land on the open market was rejected, as it provides no certainty that the land would be developed in a timely manner and affords little control (other than through the planning process) over the quality of the development.

Use of the HCA's (Homes and Communities Agency) Delivery Partner Panel or other frameworks to select a developer partner was rejected, in order to widen the opportunity to potential tenderers.

Building more social housing on these sites was rejected, in view of the existing high volume of social housing in the area and the commitment to new build affordable rent and council homes in other parts of The Meadows as part of the city wide programme for new build council homes.

Not developing the vacant land following demolition of existing properties was rejected, as this would leave a number of empty sites which would destabilise the area.

Not re-opening Arkwright Walk was rejected, as this would adversely impact on the regeneration opportunity for the area as described above.

92 MEDIUM TERM FINANCIAL PLAN - KEY DECISION

The Chair of Executive Board agreed that this item, although not on the original agenda, could be considered as a matter of urgency in accordance with Section 100(4)(b) of the Local Government Act 1972. Due to the complexity of the report, the

additional work required to be undertaken in response to the Local Government Financial settlement, and to allow for the appropriate consultation on both phase 1 and 2 proposals, the report was not available for circulation with the original agenda.

This decision is not subject to call-in, as Councillor Brian Parbutt, Chair of the Overview and Scrutiny Committee, has agreed that the decision is reasonable in all the circumstances and should be treated as a matter of urgency, as Council budget has to be approved at Council on 9 March 2015, and the call-in process would delay the report until after the next meeting of Council.

The Board considered the Deputy Leader/Portfolio Holder for Resources and Neighbourhood Regeneration's report seeking endorsement and referral to Council of the General Fund and Capital Programme, and approval of the Housing Revenue Account element from 31 March 2015, subject to consultation.

RESOLVED to:

- (1) note the current forecast outturn for the 2014/15 General Fund and HRA revenue budgets and capital programmes, as detailed within Annex 1;**
- (2) endorse the allocations from Contingency as set out in Table 1D of Annex 1;**
- (3) approve the budget virements and reserve movements set out in Table 3 and Appendices C and D;**
- (4) note the General Fund revenue aspects of the MTFP as set out in Annex 2;**
- (5) note that, at the time of despatch of this report, the Fire Authority had not formally approved their final council tax increases. The final precepts will be confirmed prior to the City Council meeting on 9 March 2015;**
- (6) note, endorse and recommend to City Council:**
 - a. the General Fund net budget requirement for 2015/16 of £255.814m, including the net movement in earmarked reserves as set out in Appendix A;**
 - b. a basic amount of Council Tax level (Band D) of £1,459.67 that will raise a total of £89.108m (an increase of 1.95%);**
 - c. delegation of authority to the appropriate Director to implement all proposals after undertaking any necessary consultation;**
 - d. the Capital programme as detailed in Appendix D of Annex 3;**
 - e. the key principals for the governance and management of the capital programme as set out in Section 9 of Annex 3;**
- (7) approve with effect from 31 March 2015 (subject to consultation):**
 - a. an average increase in rent levels for all Council owned dwellings within the HRA of 2.2%;**
 - b. an increase in service and heating charges of 2.2%;**
 - c. an increase in the service charge for independent living of 2.2%;**

- d. **an increase in weekly garage rents of £0.18 per week (52 week basis);**
- (8) approve:**
 - a. **the cost pressures - inflation totalling £0.903m, as detailed in Annex 4;**
 - b. **the setting of the HRA working balance at £4.000m;**
 - c. **the Public Sector Capital Programme as set out in Appendix A of Annex 4;**
 - d. **the use of maintenance of a capital allowance to avoid pooling of receipts generated from HRA land and building sales to fund affordable housing and regeneration schemes as set out in Annex 4;**
 - e. **the delegation of authority to Nottingham City Homes (NCH) to award capital contracts up to the value of the scheme/programme as set out in Appendix A of Annex 4 of the report;**
- (9) note the continuation of the tenant reward scheme as implemented in 2014/15 as set out in Annex 4;**
- (10) note, endorse and recommend to City Council the 2015/16 HRA budget, as set out in Annex 4.;**
- (11) note and endorse the recommendations of the Chief Finance Officer (CFO) in respect of the robustness of the estimates made for the purposes of all aspects of the budget calculations and the adequacy of reserves, as detailed in Annex 5;**
- (12) note the outcomes of the budget consultation and communication as detailed in Annex 6;**
- (13) delegate authority to the Acting Corporate Director for Resources, in consultation with the Deputy Leader, to finalise the Medium Term Financial Plan for publication following approval of the relevant elements of the budget by City Council.**

Reasons for decision

Endorsement of the draft Medium Term Financial Plan by Executive Board is required in order to gain approval from Council at their meeting on 9 March.

Other options considered

Freezing Council Tax in order to accept the Council Tax Freeze Grant for 2015/16 was rejected, as this would add an on-going net pressure of £594,000.

Raising rents by a different amount was rejected, as the figure of a 2.2% increase was arrived at in consultation with tenants.

93 EXCLUSION OF THE PUBLIC

RESOLVED to exclude the public from the meeting during consideration of the remaining 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.

94 DEVELOPMENT OF NOTTINGHAM ENERGY PARK - KEY DECISION - EXEMPT APPENDICES

As per minute 89, above.

95 APPLICATION FOR DESIGNATION OF A NEIGHBOURHOOD AREA AND FORUM FOR THE SNEINTON AREA - KEY DECISION - EXEMPT APPENDICES

As per minute 90, above.

96 ARKWRIGHT WALK AND BLACKSTONE WALK - EXEMPT APPENDIX

As per minute 91, above.