

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:

2759

Author:

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Department:

Development

Contact:

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Subject:

Funding for prestart works within the Housing Revenue Account (HRA) new build programme

Total Value:

£300,000 (Type: Capital and Revenue)

Decision Being Taken:

- (1) That £300,000 will be allocated to fund pre-start works for schemes being investigated and worked up as part of the Building A Better Nottingham (BABN) Council house development programme.
- (2) Approval for release of funds under £25,000 will be delegated to the Head of Regeneration & Housing Delivery and reported to the Building A Better Nottingham Steering Group.
- (3) Approval of amounts of £25,000 and over will be delegated to the Corporate Director for Development & Growth with amounts over £50,000 subject to Portfolio Holder Approval.

Reasons for the Decision(s)

The release of funding for the development of sites for the new build programme is done formally via NCC Executive Board or by Delegated Decision, after consideration by Steering Group. Despite this formal process, it is often the case that money needs to be spent prior to the formal decision in order to do necessary due diligence work on the site and to work up the business case to inform the decision. This can include items like site investigation works, obtaining information about services across the site and employing architects to provide an indicative layout.

It is proposed that a Delegated decision is taken to allocate up to £300,000 of HRA new build programme funds for the purpose of pre-start works where expenditure is required prior to formal approval. Without this the ability to work up schemes will be delayed as officers will need to obtain approval for every individual site separately.

If a site progresses to an approved development, the cost of any prestart works that have been met from this fund will be recharged to the project budget for this development. This will mean that most of the time the £300,000 allocation will not diminish greatly. It should only go down permanently when money is spent investigating a scheme which is later abandoned.

As most of the pre-start items are likely to be under £25,000 in cost, it is proposed that the authority to authorise this spend will be delegated to the Head of Regeneration & Housing Development, and that any items of expenditure are reported to BABN Steering Group for oversight and scrutiny.

Other Options Considered:

To take an individual decision for each scheme. This was rejected as it would add excessive timescales to the prestart process causing inefficiency and delay to the housing development process.

Background Papers:

None

Published Works:

None

Affected Wards:

Citywide

Colleague / Councillor Interests:

None

Consultations:

Date: 02/02/2017
 Other City Council Bodies: Building A Better Nottingham Steering Group
 Supported the decision

Date: 31/01/2017
 Other: Richard Whittaker, Head of Development at Nottingham City Homes

Supports this decision as it is vital to delivering a timely development programme

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

New build housing will be developed in line with secure by design principles to design out opportunities for crime.

Equality:

EIA not required. Reasons: This decision does not require an EIA due to its limited scope.

Decision Type:

Portfolio Holder

Subject to Call In:

Yes

Call In Expiry date:

06/03/2017

Advice Sought:

Legal, Finance

Legal Advice:

The proposals set out in the report raise no significant legal issues and, on the basis of the rationale put forward, are supported. Advice provided by Malcolm Townroe (Legal Services Manager) on 23/02/2017.

Finance Advice:

The proposal is to create a fund of £0.300m for costs incurred whilst investigating potential sites for suitability for inclusion in the Building a Better Nottingham New Build Programme. The Public Sector Housing Capital Programme was approved at the February 2017 meeting of Executive Board and includes over £8m available for future new build schemes, which can be utilised for the pre-start works described in the body of the report. It is anticipated that in most cases sites will gain approval to be developed for council housing and then the costs can be charged to the specific scheme costs in the capital programme, resulting in the fund only being reduced when the sites do not progress.

The Public Sector Housing Capital Programme is fully funded and the provision will not create any requirement for additional resources. Advice provided by Julie Dorrington (Senior Accountant (Housing Revenue Account)) on 22/02/2017.

Signatures

Jane Urquhart (Portfolio Holder for Planning and Housing)

SIGNED and Dated: 27/02/2017

David Bishop (Deputy CE, CD for Development and Growth)

SIGNED and Dated: 27/02/2017