

Nottingham City Council Delegated Decision



Nottingham
City Council

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| Reference Number: | 3321 |
| Author: | Fran Cropper |
| Department: | Development and Growth |
| Contact: | Fran Cropper (Job Title: Regeneration Team Leader, Email: fran.cropper@nottinghamcity.gov.uk, Phone: 01158763956) |
| Subject: | Allocation of Section 106 Affordable Housing Contribution to redevelopment of Knights Close, Top Valley |
| Total Value: | £50,000 (Type: Capital) |
| Decision Being Taken: | To allocate £50,000 of Section 106 Affordable Housing contribution from the agreement linked to the GPO Stores and land to rear of 3-17 Olga Road, Nottingham (Planning ref 02/01080/PFUL) development to the new affordable rented housing development at Knights Close. |
| Reasons for the Decision(s) | <p>1. On 16 May 2017 Executive Board approved the redevelopment of Knights Close, Top Valley. This included the decommissioning of flats and commercial units, and the construction of new homes, one new flat and one new shop unit. It is an estate regeneration project, and as such is an expensive scheme. A contractor is currently being procured and the project is due to start on site in late 2018/early 2019.</p> <p>2. There is £50,000 available from the s106 agreement linked to the planning application 02/01080/PFUL3 cited above, which the Council is obliged 'to use...towards the provision of Affordable Housing elsewhere in the City of Nottingham'. This will be a contribution towards the budget, as agreed by Exec Board on 16 May 2017. This will reduce the borrowing required to fund this development.</p> |
| Other Options Considered: | <p>1. Not to allocate this s106. This option was rejected because the money is available and the affordable rented housing being provided at Knights Close is eligible for the spend, and it reduces the overall borrowing required to fund the project.</p> <p>2. To allocate to an alternative project. Within the new build programme, this project has the most imminent start on site date, and so this option was rejected.</p> |
| Background Papers: | N/A |

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| Published Works: | Redevelopment of Knights Close, Top Valley, Executive Board 16 May 2017. |
| Affected Wards: | Bulwell Forest |
| Colleague / Councillor Interests: | None. |
| Consultations: | <p>Date: 19/09/2018</p> <p>Ward Councillors: Eunice Campbell, Nick Mcdonald, Cheryl Barnard</p> <p>Supportive of the proposal</p> |
| | <p>Date: 10/10/2018</p> <p>Area Committees: Area 1: Bulwell and Bulwell Forest</p> <p>Supportive of the proposal</p> |
| | Those not consulted are not directly affected by the decision. |
| Crime and Disorder Implications: | None. |
| Equality: | EIA not required. Reasons: This is a financial decision. |
| Decision Type: | Portfolio Holder |
| Subject to Call In: | Yes |
| Call In Expiry date: | 22/11/2018 |
| Advice Sought: | Legal, Finance |

Legal Advice:

1. The funds which this decision proposes to spend derive from a section 106 agreement dated 11 September 2003 linked to a residential development at the GPO Stores and land to the rear of 3-17 Olga Road, St. Ann's (planning permission reference 02/01080/PFUL3).
2. Although the development was completed some years ago, and the affordable housing contribution of £50,000 was payable on occupation of the 15th dwelling, it is understood that the contribution has been received only very recently, hence the request to allocate it at this stage.
3. The agreement obliges the Council to use the contribution "towards the provision of Affordable Housing elsewhere in the City of Nottingham". "Affordable Housing" is defined in the agreement as including "housing for persons who cannot afford to rent or buy houses generally available on the open market..." and the definition goes on to refer to national and local policies then in force, in relation to affordable housing.
4. It is considered that the proposed spend in this delegated decision complies with the Council's obligation in the relevant agreement.
5. Under the Council's Constitution, Area Committee is a consultee on the proposed spend of s106 monies in its area. It is noted that although a formal report does not appear to have been taken to Bulwell and Bulwell Forest Area Committee, Ward Councillors and that Area Committee have apparently been consulted, and are supportive of the proposal.
6. The decision falls within the remit of the Portfolio Holder for Planning and Housing under the Council's Constitution. Advice provided by Judith Irwin (Senior Solicitor) on 15/10/2018.

Finance Advice:

The £50,000 contribution from the developers in relation to the Section 106 contribution arising from planning application 02/01080 (GPO Stores and land to the rear of 3-17 Olga Road, St. Ann's) was received on 26/07/2018. The full sum is available for commitment to the Knights Close redevelopment scheme already approved.

On confirmation that this delegated decision has been agreed, the capital programme will be amended to reflect £50,000 Section 106 funding and to lower the prudential borrowing sum by the same amount. Advice provided by Sarah Baker (Commercial Business Partner - Projects) on 30/10/2018.

Signatures

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| Linda Woodings as Portfolio Holder (Portfolio Holder Housing and Planning) |
| SIGNED and Dated: 14/11/2018 |
| Chris Henning (Corporate Director for Development and Growth) |
| SIGNED and Dated: 07/11/2018 |