

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	3496
Author:	Fran Cropper
Department:	Development and Growth
Contact:	Fran Cropper (Job Title: Regeneration Team Leader, Email: fran.cropper@nottinghamcity.gov.uk, Phone: 01158763956)
Subject:	Development of Eastglade
Total Value:	£122,802 (Type: Revenue)
Decision Being Taken:	<ol style="list-style-type: none">1. To delegate authority to the Corporate Director of Development and Growth to agree the appropriation of the former Eastglade School site, Bestwood, from the General Fund (Education and Leisure departments), into the Housing Revenue Account (HRA) at market value, on the grant of planning permission for residential development.2. To approve the use of £122,802 of Housing Revenue Account (HRA) Pre-start Works Fund to meet the cost of a planning application along with design and other associated fees for the development of the Eastglade site.
Reasons for the Decision(s)	<p>The former Eastglade School closed in 2007. The school was demolished and the site has lain vacant since then. The site is surplus to the needs of the Education department, and has gained Secretary of State approval to be released from Educational use. There is also some Leisure amenity land which is to be included. The 3.05ha (7.53 acres) site will be appropriated from the General Fund to the HRA at market value, for development as social housing. A site plan showing ownerships is attached.</p> <p>Development of the Eastglade site will provide much needed new social housing for rent. These homes will be built by Nottingham City Council Housing Revenue Account and provide new Council Homes. It will be part financed utilising Right to Buy receipts, generated from previous Right to Buy sales. The development will require a subsequent decision to release funds to start work on the site once the costs have been established, however the current decision will allocate sufficient funds to allow the development to proceed through planning and to meet the design and pre-start costs incurred so far.</p> <p>The homes will be designed to an enhanced energy efficiency standard to provide an exemplar scheme which will help to tackle fuel poverty and reduce Nottingham's carbon footprint by reducing energy consumption requirements.</p> <p>Delegated Decision 2759 approved setting up a fund for Pre-start works for HRA new build sites of £300,000. For amounts over £50,000 the use of this fund requires Portfolio Holder approval. The cost covered by this decision are made up as follows: Planning Fee £25,455, Design Fees £66,003, Other pre site costs £31,344.</p>

Briefing notes documents: **Eastglade Ownership plan DDM April 2019.pdf**

Other Options Considered: **Not to develop this site for affordable housing. This was rejected as this site is an important contributor to the cities overall housing delivery figures and to our affordable housing targets.**
To sell the site to the private sector. This was rejected as the site may not be attractive to the market due to viability concerns relating to topography, access and surrounding house values. There is a need for affordable housing to meet waiting list need.

Background Papers: **None**

Published Works: **Executive Board Report, 17 January 2012, Allocation of Funding for the Central Area School Reorganisation**

Affected Wards: **Bulwell Forest**

Colleague / Councillor Interests: **None**

Consultations: **Date: 05/03/2019**
Ward Councillors: Brian Grocock, David Smith, Georgja Power
Support the proposal.

Date: 05/03/2019
Other: Nottingham City Homes
Support the proposal.

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications: **The development of this site will have a postive impact on current ASB incidents. The site is sometimes used for fly tipping and there have been breaches to the boundary fences. The homes will bring back into use a vacant site and will provide new surveillance of open space areas. It will be designed in line with Secured by Design principles.**

Equality: **EIA not required. Reasons: The Equality implications for this scheme are covered within the wider EIA for the new build Council House programme.**

Social Value Considerations: **The new Homes will regenerate a derelict site and provide new affordable housing for people in housing need.**

Relates to Council Property Assets: Yes

Relates to Building Services: Yes

Decision Type: Portfolio Holder

Subject to Call In: Yes

Call In Expiry date: 18/04/2019

Advice Sought: Legal, Finance, Procurement, Property, Building Services

Legal Advice: This report does not raise any significant legal issues. The land needs to be appropriated at market value. Advice provided by Andrew James (Team Leader Contracts and Commercial) on 28/03/2019.

Finance Advice:

The decision is to appropriate (ie transfer) land from the General Fund into the Housing Revenue Account (HRA), to enable the development of council housing on the site. The scheme will consist of around 65 houses. The Council has a significant amount of RTB Replacement ("1-4-1" receipts), that need to be spent within three years or returned to central government. By including this site in the new build programme for the HRA this decision will enable approximately £3m of RTB Replacement Receipts can be used on council housing in Nottingham. The cost of the development of the site will require the relevant approval within the Council.

DD2759 approved funding of £0.300m for Pre-start works for new build site investigation and feasibility costs for potential new build schemes. Where the schemes go ahead the costs can be charged to the capital project costs and the fund is replenished. If a scheme does not proceed then the fund is reduced by this amount. For costs over £50,000 Portfolio Holders approval is required. The Fund has sufficient balance to cover the costs included in the decision, i.e. £0.123m. Some costs have already been incurred by NCH to draw up plans for the site as initially it was due to be sold to NCH for development.

As the funding for Pre-start works for new build is already approved and the balance held as a reserve, then this decision requires no additional resources and has no impact on the Council's MTFP.

Advice provided by Julie Dorrington (Senior Accountant (Housing Revenue Account)) on 28/03/2019.

Building Services Advice:

Building Services support the proposals. Early engagement provides maximum opportunity for the Council to exploit its full capabilities in supporting the delivery of projects in collaborative manner. Where the decision is made to utilize external consultants, Building Services' ability to provide quality assurance will ensure value for money for the Council.
Advice provided by David King - 190319.

Procurement Advice:

As the decision being sought relates solely to allocation of funding from HRA there are no procurement implications. Any subsequent procurement activity must be carried out in accordance with Contract Procedure Rules. Advice provided by Jonathan Whitmarsh (Lead Procurement Officer) on 07/03/2019.

Property Advice:

The Secretary of State for Education granted consent for the disposal of the subject site, on 16 June 2017. The consent is granted on the understanding that the capital receipt achieved on sale will be used to address the deficit held in the Council's reserves, created through the completion of works to expand Robert Shaw Primary school in accordance with Nottingham City Council's Area School Registration (2013).

It will be necessary for the site to be appropriated from the General Fund (Education) to the Housing Revenue Account, at Market Value. The appropriation will be completed on the grant of planning for the future scheme. Property Services will undertake the required valuation at this time.

The site is considered to be less desirable to the market than other surplus school sites and recognised development sites in the area for a variety of reasons, including restricted access and challenging topography. Advice provided by Emma Wilcock (Senior Estates Surveyor) on 26/03/2019.

Signatures

Jon Collins (Leader & PH for Regeneration and Growth)
SIGNED and Dated: 11/04/2019
Chris Henning (Corporate Director for Development and Growth)
SIGNED and Dated: 11/04/2019