

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

<b>Reference Number:</b>	3517
<b>Author:</b>	Janet Kmiecik
<b>Department:</b>	Development and Growth
<b>Contact:</b>	Janet Kmiecik (Job Title: Regeneration Officer, Email: janet.kmiecik@nottinghamcity.gov.uk, Phone: 01158763528)
<b>Subject:</b>	Affordable Housing Acquisition - Sandfield Centre, Derby Road, Nottingham
<b>Total Value:</b>	As per exempt appendix (Type: Capital)
<b>Decision Being Taken:</b>	<ol style="list-style-type: none"><li>1) To purchase the eight social rent homes being built by Persimmon Homes Ltd on the development at the Sandfield Centre, Derby Road, as set out in the exempt appendix.</li><li>2) To approve the addition of the scheme to the Public Sector Housing Capital Programme (PSHCP)</li><li>3) To agree for the Council to pay Persimmon Homes the agreed deposit required upon the exchange of contract</li></ol>
<b>Reasons for the Decision(s)</b>	<p>The Sandfield centre site was previously owned by the Council and is now being developed by Persimmon Homes to provide 95 residential units. As part of the development, the Section 106 agreement requires affordable houses to be provided of which eight are to be social rent.</p> <p>The Council submitted a bid to the Developer, Persimmon, for the 8 social rent units which was accepted, the details of the bid are set out in the exempt appendix and will be paid from the PSHCP. The properties will be owned by the Council and managed by Nottingham City Homes.</p> <p>These homes will add to the City's Council housing stock to provide affordable homes for people in housing need and will represent good value for money for the Housing Revenue Account</p>
<b>Other Options Considered:</b>	Not to acquire these houses. This will mean than an opportunity to acquire new homes for social rent at a discounted rate for the Council will have been missed. The rate would be lower than the build cost that could be achieved directly. This option has therefore been discounted
<b>Background Papers:</b>	None

**Published Works:** None

**Affected Wards:** Dunkirk and Lenton

**Colleague / Councillor Interests:** None

**Any Information Exempt from publication:** Yes

**Exempt Information:**

**Description of what is exempt:** Finance comments and value of decision

An appendix (or appendices) to this decision is exempt from publication under the following paragraph(s) of Schedule 12A of the Local Government Act 1972

**3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).**

The public interest in maintaining the exemption outweighs the public interest in disclosing the information because it includes the bid price for the properties which if disclosed will prejudice the Council's position in negotiations relating to the acquisition

**Documents exempt from publication:**

Appendix 1 exempt appendix v9.docx

**Consultations:**

Date: 04/04/2019

Ward Councillors: David Trimble

Councillors approve the report

Those not consulted are not directly affected by the decision.

**Crime and Disorder Implications:**

There are no Crime and Disorder implications

<b>Equality:</b>	<b>EIA not required. Reasons: This decision does not relate to new or changing policies, services or functions</b>
<b>Decision Type:</b>	<b>Portfolio Holder</b>
<b>Subject to Call In:</b>	<b>Yes</b>
<b>Call In Expiry date:</b>	<b>15/05/2019</b>
<b>Advice Sought:</b>	<b>Legal, Finance, Property</b>
<b>Legal Advice:</b>	<p><b>From the information provided in the report and following discussion with Property colleagues, the proposed transaction would not appear to raise any substantial legal issues of concern. The transaction will be subject to normal property legal due diligence and the drafting, agreement and completion of formal legal documentation between the parties.</b></p> <p><b>Advice provided by Mick Suggett (Team leader: Conveyancing) on 25/04/2019.</b></p>
<b>Finance Advice:</b>	<p><b>This advice is exempt from publication and is contained within an exempt appendix.</b></p> <p><b>Advice provided by Julie Dorrington (Senior Accountant (Housing Revenue Account)) on 30/04/2019.</b></p>
<b>Property Advice:</b>	<p><b>The Council's bid to buy the properties which are the subject of this report is based upon financial modeling carried out by Housing Finance and Regeneration colleagues. The price being paid by the Council is significantly discounted against the market value of the properties and reflects the requirement for the properties to be social rented.</b></p> <p><b>Advice provided by Rodney Alan Martin (Development Manager) on 30/04/2019.</b></p>
<b>Signatures</b>	<p><b>Linda Woodings as Portfolio Holder (Portfolio Holder Planning, Housing and Heritage)</b></p> <p><b>SIGNED and Dated: 07/05/2019</b></p> <p><b>Chris Henning (Corporate Director for Development and Growth)</b></p> <p><b>SIGNED and Dated: 01/05/2019</b></p>