

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:

3694

Author:

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Department:

Development and Growth

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Subject:

Greater Nottingham Housing Growth Study and 'Building Council Homes' Study

Total Value:

£80,000 (Type: Revenue)

Decision Being Taken:

1. To the commission and procure a Greater Nottingham Housing Growth options study.
2. To the commission and procure a Nottingham-specific smaller study to provide specialist advice to accelerate the building of council housing via the Council's new build programme.
3. To approve a total spend of £80,000 to undertake the two studies. The five boroughs of the Greater Nottingham Planning Partnership group will contribute £50,000 toward the first study. The Council will contribute to both studies and will utilise £30,000 of grant funding awarded to the Council from the Local Government Association.
4. To note that the two studies will be managed by Nottingham City Council on behalf of all stakeholders.
5. To delegate authority to the Director of Planning and Regeneration to award the contracts for the two studies to the successful consultants.

Reasons for the Decision(s)

An opportunity has arisen to commission two necessary housing-related studies. The Greater Nottingham Planning Partnership Group has agreed that a Greater Housing Growth study is required to provide up-to-date information to support future preparation of the Local Plans to 2038. The study will replace the outdated 2007 Strategic Housing Market Assessment and will provide evidence for housing interventions and relevant information for funding bids going forward. The study area will be the Greater Nottingham (Nottingham Core Housing Market), and Ashfield District Council, Broxtowe Borough Council, Erewash Borough Council, Gedling Borough Council, Nottinghamshire County Council and Rushcliffe Borough Council have contributed a total of £50,000 toward the study.

In early 2019, the Local Government Association (LGA) launched the 'Building Council Homes Programme' grant scheme to provide grant funding support to councils wanting to access specialist housing data, skills and advice to accelerate the delivery of homes via the Housing Revenue Account (HRA). Nottingham was successful in securing LGA grant funding of £30,000. As a result, the Council will allocate up to £10,000 of the LGA grant funding to the Housing Growth study, alongside the Boroughs. In return, the Council will receive a specific housing needs assessment relating to Nottingham, which will provide essential housing data and local market information that the second study can utilise. The second study will be funded using the remaining LGA grant funding and will obtain specific specialist advice on how the Council can accelerate and extend delivery of homes via the HRA on certain sites in the North and West of the city.

The Council is committed to deliver new homes and the lifting of the HRA borrowing cap offers an opportunity to develop larger sites that were previously considered unachievable. However, to protect HRA investment, specialist advice is required to ascertain the right tenure mix, range of housing products and appropriate partnership models to guide investment and assist in the decision making for the HRA new build programme. While both studies are primarily housing-themed studies, they require different skills and expertise. As a result, it has been decided to procure the studies separately, but at the same time and referenced to each other. Consultants will be free to bid for both studies if they have the appropriate qualifications.

Other Options Considered:

1) Internal colleagues cannot provide the specialist advice that is required to undertake a Housing Growth option study and 'Building Council Homes' study, and would not make good use of the funding from the Greater Nottingham Planning Partnership Group contributions or the grant funding from the Local Government Association. It would also compromise the consistent approach being sought across Greater Nottingham. As a result this option, was discounted.

Background Papers:

None

Published Works:

Delegated Decision 3452: Local Government Association 'Building Council Homes Programme' grant funding (<https://committee.nottinghamcity.gov.uk/ieDecisionDetails.aspx?ID=4781>)

Affected Wards:

Citywide

Colleague / Councillor Interests:	None
Use of Consultants	Number of Days:0 Rate per Day:0 Total value:80000 Start date:11/11/2019 End date:31/01/2020
Reason for using a consultant:	External consultants have been used to undertake similar specialist studies to support existing Strategic Planning Policies, so the principal of using consultants has been established, previously. These specialist skills are not available in-house.
Other options considered:	1) Utilising internal colleagues will not provide the specialist advice that is required to undertake a Housing Growth Options study or influence the Council's future house building programme, and it would not make good use of the £30,000 funding from the Local Government Association or the £50,000 from the Greater Nottinghamshire Planning Partnership group. It would also compromise the consistent approach being sought across Greater Nottingham. As a result, this option was discounted.
Name of consultant:	Not known until procurement exercise completed
Reason for selection?	Selection will be based predominantly on the extent, previous experience and quality of both the consultant's tender submissions.
Has the consultant previously completed work for the City Council?	Not known until procurement exercise completed.
Specific activities to be undertaken by the consultant are:	The first consultant will undertake a general housing needs assessment to obtain strategic and analytical work to influence Strategic Planning policies, and the second consultant will undertake specific analysis around the right balance of tenure splits and levels of new social housing on large new development sites within the City.
Period of engagement:	Approximately 4 months
By what process was the consultant selected?	Official procurement process - invitation to quote.
Consultations:	Those not consulted are not directly affected by the decision.
Crime and Disorder Implications:	The proposals have no crime and disorder implications.
Equality:	EIA not required. Reasons: The proposals do not represent a new or changing policy, service or function.
Relates to staffing:	Yes
Decision Type:	Portfolio Holder

Subject to Call In:

No

The call-in procedure does not apply to the proposed decision because the delay likely to be caused by the call in process would seriously prejudice the Council's or the public's interests. The Chair of the Overview and Scrutiny Committee (or Vice-Chair) in his/her absence has been consulted and agreed both that the decision proposed is reasonable in all circumstances and that it should be treated as a matter of urgency.

Person Consulted: Chair of the Overview and Scrutiny Committee

Consultation Date: 31/10/2019

A partner Council needs to complete its housing needs assessment by January. The full study must be completed, reported on and paid for by 31 March 2020 and, due to the Christmas period, the time required to procure and produce the two studies within the deadline is running very short.

Advice Sought:

Legal, Finance, Procurement, Human Resources

Legal Advice:

This report raises no significant legal issues, provided that the City Council ensures it complies with the terms of any grant funding agreement with the Local Government Association and complies with the City Council's own Financial Regulations when awarding any contracts. It should also ensure that the terms of any contract give to the City Council the rights to permit its funding partners to make use of the completed study.

Advice provided by Andrew James (Team Leader Contracts and Commercial) on 22/10/2019.

Finance Advice:

£30,000 was received from the Local Government Association (as approved through DD3452) and the decision required additional approval for the work to be delivered with this money, which is outlined in this decision. £10,000 of this will form Nottingham City Council's contribution. The 5 other authorities listed will each contribute £10,000 to give the total funding available of £80,000. Contributions have not yet been received, but there is minimal risk of the partners failing to contribute as they are all members of the Greater Nottingham Housing Partnership and have agreed the commissioning of the work.

This will fund the two studies outlined and although costs for these have not been confirmed, the cost is not expected to exceed the £80,000. The work will be completed within the current financial year and therefore no financial adjustments will be needed. This resulting study will be fed into the Greater Nottingham Partnership Board who will ensure the output meets their requirements.

There are no financial pressures resulting from this work and no additional contribution from Nottingham City Council.

Advice provided by Susan Tytherleigh (Senior Finance Manager) on 24/10/2019.

Procurement Advice:

No procurement issues with the decision being sought. The Procurement Team will work with the client to ensure that the appointments are made in compliance with Contract Procedure Rules.

Advice provided by Jonathan Whitmarsh (Lead Procurement Officer) on 14/10/2019.

HR Advice:

There are no noted HR people implications. Any activity around selection of appropriate use of consultants must follow the Finance NCC Consultant engagement processes.

Advice provided by Nicola Gell (HR Business Partner - Community Services) on 28/10/2019.

Signatures:

David Mellen (Leader/ PH Regeneration, Safety and Communications)
SIGNED and Dated: 05/11/2019
Linda Woodings as Portfolio Holder (PH Housing, Planning and Heritage)
SIGNED and Dated: 30/10/2019
Chris Henning (Corporate Director for Development and Growth)
SIGNED and Dated: 30/10/2019