

REPORT OF THE LEADER OF THE COUNTY COUNCIL**INVESTING IN NOTTINGHAMSHIRE: LOCAL AUTHORITY ACCELERATED
CONSTRUCTION FUND UPDATE****Purpose of the Report**

1. To accept the proposed funding offers from Homes England for Lowmoor Road (£1.6m) and Cauldwell Road (£1.6m) sites and to delegate authority to the Corporate Director, Place; and the Service Director Finance, Infrastructure & Improvement, and the Group Manager, Legal, Democratic and Complaints to finalise the completion of the Funding Agreements.
2. To approve a variation to the capital programme of £3.2m to enable works to be undertaken on both the Lowmoor Road (£1.6m) and Cauldwell Road (£1.6m) projects.

Information

3. Some information relating to this report is not for publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972. Having regard to the circumstances, on balance the public interest in disclosing the information does not outweigh the reason for exemption because divulging the information would significantly damage the Council's commercial position. The exempt information is set out in the exempt appendix.

Background

4. The new Council Plan "Your Nottinghamshire, Your Future" sets out an ambitious vision for the future of Nottinghamshire in which the county is at the forefront of modern Britain. We want Nottinghamshire to stand out as: a great place to bring up a family; to fulfil your ambition; to enjoy your later life, and, to start and grow your business.
5. We want Nottinghamshire to be a place where young people and young families have the opportunity to put down their roots and live healthy and fulfilling lives. In order to achieve this, we know that quality housing in good locations is vital. We will therefore work with developers and the Government to bring forward new housing that meets the needs of our growing population and everyone who wants to build their future here. The Investing in Nottinghamshire programme is fulfilling these aspirations by working closely with the Government's agency Homes England to unlock major housing growth opportunities.
6. At its meeting of 17 October 2018 Policy Committee accepted in principle proposed Local Authority Construction Funding from Homes England. This report considers detailed proposals for Low Moor Road and Cauldwell Road.

LOWMOOR ROAD, KIRKBY IN ASHFIELD

7. A greenfield site of around 37 acres (15 hectares) capable of delivering approximately 359 houses with a deliverable point of access off Low Moor Road. The Council has received a formal grant offer of £1.6m from Homes England. An initial appraisal undertaken by the Council and Arc confirms that the site is feasible without the need for additional funding from the Council in order to prepare it for the development market, including an allowance for potential ground contamination and construction of a major junction for access.

CAULDWELL ROAD, MANSFIELD

8. A greenfield site, forming part of Rushley Farm totalling 178 acres (72 hectares) with this particular site measuring approximately 27 acres (11 hectares) currently in agricultural use and occupation. The site falls between two local planning authorities of Mansfield District Council and Ashfield District Council and is able to accommodate approximately 249 units. The Homes England grant is £1.6m and an appraisal undertaken by the Council and Arc confirms that the site is feasible without the need for additional funding from the Council in order to prepare it for development market.

Funding Agreement

9. An assessment of the legal and financial risks associated with the acceptance of the grant offers for both sites has been undertaken and covered in greater detail in the Exempt appendix to this report. Overall, it is considered that these are small and outweighed by the benefit that such additional funding will provide in the delivery of the scheme. Policy Committee is therefore asked to approve the acceptance of these grants despite the funding agreement restrictions imposed.

Other Options Considered

10. Lowmoor and Cauldwell Road could be disposed of on the open market as alternative option, however, the Homes England funding provides a way of de-risking the site and thus providing more attractive proposals for potential housebuilders.

Reason/s for Recommendation/s

11. To enable the sale of a surplus assets and to secure capital receipts to the County Council and to provide much needed housing for these locations.

Statutory and Policy Implications

12. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

1. To accept the proposed funding offers from Homes England for Lowmoor Road (£1.6m) and Cauldwell Road (£1.6m) sites and to delegate authority to the Corporate Director, Place; and the Service Director Finance, Infrastructure & Improvement, and the Group Manager, Legal, Democratic and Complaints to finalise the completion of the Funding Agreements.
2. To approve a variation to the capital programme of £3.2m to enable works to be undertaken on both the Lowmoor Road (£1.6m) and Cauldwell Road (£1.6m) projects

Councillor Mrs Kay Cutts MBE
Leader of the County Council

For any enquiries about this report please contact:
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Constitutional Comments (AK - 23/09/2019)

13. The recommendations fall within the remit of the Policy Committee under the scheme of delegation in the Constitution.

Financial Comments (GB - 02/10/2019)

14. As set out in the report, the Council has received formal grant offer letters from Homes England for £1.6m to deliver the project at Lowmoor Road and a further £1.6m to deliver the project at Cauldwell Road. Initial appraisals have been undertaken which have confirmed that both projects can be carried out without the need for additional funding from the Council. There are a number of financial risks associated with this project that should be noted as follows:-
 - The Council will be liable to fund any project overspend from its own resources
 - As set out in the exempt appendix, there is a risk that an element of the external funding could be clawed back if the terms and conditions of the grant are not met.
 - There is a risk that the capital receipt is less than expected thereby increasing the cost to the Council.
15. Further key risks are set out in the exempt appendix.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

Electoral Division(s) and Member(s) Affected

- Electoral Division(s): Ashfield, Mansfield South
- Member(s): Councillor Jason Zadrozny, Councillor Stephen Garner, Councillor Andy Sissons.