

**Report of the Portfolio Holder for Housing and Resources and Personnel Policy****THE ACQUISITION OF 26 AFFORDABLE HOUSES AT FIELD FARM, STAPLEFORD****1. Purpose of Report**

To consider the proposal for the Council to acquire 22 rented and four shared ownership homes from the developer of the allocated housing site off Field Farm, Stapleford. The acquisition of these units will assist the Council in meeting its housing targets set out in the approved Housing Delivery Plan.

**2. Recommendation**

**Cabinet is asked to RESOLVE that,**

- 1) Up to £3.5 million be allocated in the HRA capital programme for 2022/23 to 2025/26 for the construction of 26 rented and shared ownership homes at the site,**
- 2) A delegation be made to the Deputy Chief Executive and Section 151 Officer, following consultation with the relevant Cabinet members for all approvals relating to the purchase, acquisition, financing and construction of the homes,**
- 3) An exemption to the Council's standing orders be provided to allow a building contract be entered into with the developer of the Field Farm site.**

**3. Detail**

Phase two of the Field Farm site is currently being built by a private developer. Following little interest from traditional Housing Associations the developer has asked Broxtowe to acquire the 26 affordable houses that are being built as part of phase 2. The proposal is that Broxtowe will buy the land (containing the 26 houses) and will then simultaneously enter into a development agreement with the developer who will build out the homes for Broxtowe. All the affordable homes will be built in 3 phases between 2023 and 2026. Appendix 1 provides further information about the proposal. Early consideration to the recommendation is required to allow the Council to develop the compliant procurement route for the acquisition of the properties and to allow solicitors to begin drafting the relevant legal agreements.

**4. Financial Implications**

The comments from the Head of Finance Services were as follows:

A detailed financial appraisal of the scheme has been undertaken by the Council's financial advisors. This has concluded that the scheme is both financially viable and can be accommodated within the HRA business plan. For further details, see appendix 2 (not for publication).

## 5. Legal Implications

The comments from the Head of Legal Services/Procurement Officer were as follows:

The proposed building contract cannot be traditionally tendered as the developer is only willing to sell the land on condition they are awarded the contract to carry out the development. Public Contracts Regulations (2015), would apply to a 'Works contract' if it is over £5.3m. As the proposed contract is well below this figure Public Contracts Regulations (2015) is not applicable. In addition, a key part of this development requires the purchase of land, which falls outside the scope of the Regulations.

The Council can therefore enter into contract without a competitive procurement exercise, subject to the granting of an exemption by Cabinet to the Council's financial standing orders.

## 6. Background Papers

There are no background papers.