

## RECORD OF EXECUTIVE DECISION

Tuesday, 6 February 2024

**Decision No:** (CAB 23/24 43690)

DECISION-MAKER:	CABINET
PORTFOLIO AREA:	Leader of the Council
SUBJECT:	Future Delivery of Townhill Park Plots 2, 9 & 10.
AUTHOR:	Sue Jones

### THE DECISION

Modified, new recommendation (iv)

- (i) The Council implements the contractual procedure to bring the Pre-Construction Services Agreement (PCSA) contract with Drew Smith (DS) to an end for the delivery of Plots 2, 9 & 10. (See Appendix 1 for locations).
- (ii) The Council ceases delivery itself, of the design and build contracts for Townhill Park Plots 2 and 9.
- (iii) Townhill Park Plots 2 and 9 are transferred to the council's Affordable Homes Framework (AHF) to be offered to the framework Delivery Partners by way of the mini tender process as part of the first tranche of sites approved by Cabinet in December 2022.
- (iv) The Executive Director of Place in consultation with the Executive Director of Wellbeing and Housing and following consultation with the Leader of the Council to have delegated powers to make a decision regarding the future delivery of plot 10 Townhill Park following consideration of the options.
- (v) That Cabinet notes that this report has implications for the council's ability to spend its Right to Buy Receipts in the allocated timeframe. Failure to spend in the timeframe means the money needs to be paid to Government with interest. There is therefore a need to identify alternative options to spend the Right to Buy receipts.

### REASONS FOR THE DECISION

Following a procurement exercise the council contracted with Drew Smith (DS) to produce the planning application and consent for the development of housing on Townhill Park Plot 2 and Plots 9 & 10. Their successor Countryside Partnerships has formally notified the council that they no longer wish to fulfil their contractual obligations under the Pre-Construction Services Agreement. This has resulted in a need to revisit the delivery options available to ensure the delivery of a successful regeneration scheme.

## **DETAILS OF ANY ALTERNATIVE OPTIONS**

1. Option 1: Do Nothing. Plots 2 and 10 are vacant and available for redevelopment and Plot 9 is currently due for demolition commencing in the Spring of 2024. Leaving these plots vacant is not a realistic option as the council has made a longstanding commitment to the regeneration of Townhill Park and the provision of new homes on these sites.
2. Option 2: Council tender and employ a Design and Build Contractor to Deliver Homes on Plot 2, 9 and 10. The council has considered continuing to directly delivering Plots 2, 9 & 10 through the procurement of a new Design and Build contractor. This has been rejected principally because of the increase in cost of the schemes and also the time and resource needed to reprocur a contractor. In addition, the delivery of Plots 2 and 9 would be particularly reliant on a Homes England grant. Under the current funding round these grants need to be spent by March 2026 which would not be feasible. Currently, there are no details of the next grant programme.
3. Option 3: Plots 2, 9 and 10 are transferred to the AHF. Plots 2, 9 and 10 are approved for immediate transfer to the AHF to be issued in a mini tender process as part of the first tranche of sites for delivery by the delivery partners. It is believed that new homes on Plot 10 can be more quickly deliver by the council, whereas Plot 2 and 9 which are much larger schemes would be better suited to delivery through the AHF.
4. Option 4: Sale of Plot 2, 9 and 10. The council could consider selling the sites on the open market. However, this would not necessarily deliver the agenda of delivering affordable homes on these sites. It is a council priority to deliver affordable housing in the city to meet the city's housing need and the AHF has been set up to deliver this.

## **OTHER RELEVANT MATTERS CONCERNING THE DECISION**

The following recommendations from Overview and Scrutiny Management Committee held on 1st February 2024 were received and considered by Cabinet prior to making the decision.

- 1) That the Executive makes every effort to avoid the loss of any Right to Buy receipts and keeps the Committee updated on upcoming deadlines and plans in train for the use of the receipts.
- 2) That opportunities are explored by the Executive to deliver upon the historic commitment made by the Council to prioritise housing within the affordable housing schemes proposed for plots 2,9 and 10, to those who were decanted from Townhill Park.
- 3) That the Executive reflects on the resources involved in undertaking further options appraisals for Plot 10, and, if the resources required are considered to be significant, the option of adding Plot 10 to the Affordable Housing Framework is approved at the earliest opportunity.

**CONFLICTS OF INTEREST**

None.

**CONFIRMED AS A TRUE RECORD**

We certify that the decision this document records was made in accordance with the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 and is a true and accurate record of that decision.

Date: 6 February 2024

Decision Maker:  
The Cabinet

Proper Officer:  
Judy Cordell

**SCRUTINY**

Note: This decision will come in to force at the expiry of 5 working days from the date of publication subject to any review under the Council's Scrutiny "Call-In" provisions.

Call-In Period expires on

Date of Call-in *(if applicable) (this suspends implementation)*

Call-in Procedure completed *(if applicable)*

Call-in heard by *(if applicable)*

Results of Call-in *(if applicable)*