

Report to Cabinet

Subject: Burton Road and Station Road Affordable Housing Schemes, and Purchase of Additional Temporary Accommodation Properties

Date: 23 March 2023

Author: Head of Regeneration and Welfare

Wards Affected

Carlton for the housing schemes, but borough-wide for purchase of temporary accommodation properties.

Purpose

To seek approval of the new Burton Road and Station Road business case regarding the preferred route for redevelopment of the sites for affordable housing and the purchase of seven additional temporary accommodation (TA) properties on the open market.

Key decision

This is a key decision as it will result in the Council incurring expenditure which is significant in relation to the function concerned, to assist with the delivery of affordable housing in partnership with a Registered Provider and to purchase temporary accommodation.

Recommendation(s):

THAT Cabinet:

1. Approves the new Burton Road and Station Road Housing Schemes business case;
2. Approves the commencement of a competitive procurement process to secure an Affordable Housing Registered Provider to develop the Burton Road and Station Road sites for the provision of affordable homes;
3. Delegates authority to the Chief Executive to approve the tender specification and evaluation criteria to be published as part of the procurement process;
4. Receives a further report detailing the tenders received, and the Council's proposed methodology for development and/or disposal of the sites;
5. Subject to budget approval, approves the purchase of seven additional residential properties for the Council's use as temporary accommodation;
6. Delegates authority to the Chief Executive to approve each residential property purchase in respect of temporary accommodation in consultation with the Portfolio Holder for Corporate Resources and Performance as detailed in this report.

1 **Background**

Original Business Case

- 1.1 In March 2021, Cabinet approved the principle of the Council redeveloping the Burton Road and Station Road sites in Carlton for the provision of Council-owned affordable housing and temporary accommodation (the Scheme) subject to all necessary approvals such as planning permission, confirmation of grant funding and costs remaining within the approved budget.
- 1.2 That decision followed acquisition of land to assemble the sites along with demolition works to clear the sites. This was funded via a combination of grant funding from Homes England for Starter Homes (a form of affordable housing that was never introduced by Government) and section 106 developer contributions for affordable housing.
- 1.3 The Burton Road and Station Road business case was presented to Cabinet in March 2021. It reflected the Council's priorities to redevelop vacant or underused sites to meet the Council's corporate priorities of delivering affordable housing, and to increase the stock of temporary accommodation at the Council's disposal (the latter being informed by the Temporary Accommodation Options Appraisal reported to Cabinet in February 2021).
- 1.4 This Temporary Accommodation appraisal (Cabinet in February 2021) recommended the purchasing of eight new properties for use as temporary accommodation on the market, and the leasing of seven properties on two-year terms whilst the proposed development of Station Road and Burton Road was progressed. The aim of this being that fifteen further properties being made available for temporary accommodation purposes would reduce the Council's reliance on expensive bed and breakfast accommodation, and to make financial savings for the Council.
- 1.5 On this basis, the Burton Road and Station Road business case (Cabinet in March 2021) proposed that ten two-bed flats be built at Station Road, and seven two-bed flats be built at Burton Road. Of these seventeen units, a total of seven would be available for use as temporary accommodation by the Council split across the two sites (these would replace the seven properties to be leased as per the Temporary Accommodation Appraisal recommendations).

Progression of the Scheme

- 1.6 In terms of temporary accommodation, the Council has successfully purchased seven properties on the open market, and leased three properties on a short-lease arrangement from the County Council. The identification and ultimate purchase / lease of the properties was made all the more difficult by a spike in property prices and the demand and supply of private sector rental properties. A budget of £120,000 currently remains in the capital programme which is not enough to purchase an eighth property in the current market.

- 1.7 However, since the approval of the original business case, the development of the Burton Road and Station Road sites has stalled as a consequence of staffing departures and a service restructure.
- 1.8 In view of the delay and in order to progress the Scheme, a desk top review has been undertaken to ensure the Burton Road and Station Road business case remained viable and deliverable. The review considered the following factors:
- Current economic climate;
 - Escalating costs in the construction industry;
 - Council resources and capacity;
 - Current housing needs of the borough including growing demand for temporary accommodation.
- 1.9 The review identified that there continues to be a need for affordable and temporary accommodation within the Borough and that the development of the sites remained consistent with the strategic objectives of the Council. The review identified an upward trend in demand for temporary accommodation since approval of the original business case, whilst also recognising the risk associated with the current financial climate and capacity of the Council to deliver and manage the Scheme.
- 1.10 The review identified an alternative delivery option originally discounted in the initial business case, that would provide the Council with access to affordable homes and temporary accommodation which would not expose the Council to financial and construction related delivery risk. Based on that review it is now recommended that the Council undertake a competitive tender exercise to secure a Registered Housing Provider (RHP) to develop both sites for affordable housing. This approach would transfer the risk of increases in construction costs and delays in building timescales onto the RHP and not the Council. Likewise, an experienced RHP would be better placed to bid and secure Homes England Funding and absorb the management function within their current arrangements. The RHP would be required through the procurement exercise to develop a viable scheme based on current and projected demand.
- 1.11 The review also considered the option of temporary accommodation being provided by a RHP as part of the same development (as per the original business case). However, Section 106 funds are not eligible for spend on temporary accommodation, and could therefore impact upon the RHP providing a viable scheme.
- 1.12 Instead, the favoured option is to decouple the requirement to provide temporary accommodation in the Burton Road and Station Road sites, in favour of the Council purchasing seven further new stand-alone temporary accommodation properties as an additional scheme (based on the same principles as the approval for the eight original properties back in February 2021). This option would not only have the advantage of dispersing units across the Borough rather than clustering households that could be potentially vulnerable and challenging within a particular locality, but also provide the Council with flexibility of location and a more immediate response to demand.

- 1.13 It should be noted that government advice is that Housing Authorities who use Bed and Breakfast (B&B) to accommodate families in emergencies should consider including a plan to reduce or eliminate its use. Housing authorities also must not use B&B to accommodate families with children or pregnant women except where there is no alternative available, and then for a maximum period not exceeding 6 weeks. The Council can be challenged by judicial review if this period is exceeded. With limited facilities to store and cook food, continued use of B&B places additional financial burdens on homeless families as well as pose a risk to their health and well-being. B&B placements are also generally out of area, which could affect schooling and support arrangements.
- 1.14 At the end of December the Council housed 15 families in B&B, 6 families in Hound Lodge hostel, and 18 in council-provided temporary accommodation properties (owned and leased). The projected net spend on B&B to the end of March 2023 is £185,000.
- 1.15 During the period April – December 2022 the Council accommodated 100 individuals / families in temporary accommodation, together with a further 26 individuals / families already in properties at the start of the financial year. This is projected to increase to around 150 by the end of the financial year. Placements in the previous year (2021/22) totalled 119, so it is evident that without further provision of temporary accommodation properties, high levels of spending on B&B will continue.
- 1.16 As set out in the original business cases it is clear that an increase in available temporary accommodation properties would impact on the annual B&B expenditure. However, the number of homeless approaches have increased over the last year. The delivery of additional TA units on a permanent basis together with the retention of the leased properties will increase the total number of units above the original business case. This will assist in dampening the increased requirement for B&B as evidenced in the table below, or reduce B&B expenditure if the number of homeless approaches falls in future years.

1.17

	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22
B&B	17	13	10	11	9	15
Hound Lodge	1	1	3	4	2	6
GBC owned/leased	9	12	13	16	18	18
Families / individuals housed	27	26	26	31	29	39

1.18

Whilst the projections indicate that the purchase of seven additional properties for temporary accommodation purposes would not remove the need to utilise expensive B&B, in its entirety, it will increase the number of homes owned and leased available to the Council for use as TA. This will reduce the need to place families and individuals in B&B, saving on B&B expenditure (refer to financial section below 4.9). Housing development in the Borough is continuing at pace, so it does allow for a period of reflection and evaluation once they have been purchased and become operational.

2 **Proposal**

- 2.1 It is proposed that Cabinet approves the revised business case at Appendix 1 to this report. The revised business case having regard to the current economic climate and growth in demand for temporary accommodation, the escalating costs in the construction industry, the Council's capacity to deliver a housing development and manage a social housing stock, as well as the wider housing needs within the Borough.

Burton Road and Station Road Sites

- 2.2 It is proposed that RHPs be invited to demonstrate how they would make best use of the two development sites to provide affordable housing, with the evaluation criteria including factors such as timescales, environmental aspects, building design, affordability and alignment with local housing need. Consideration would also be needed in terms of disposal of the two sites.
- 2.3 The RHPs will be invited to offer a financial contribution for the acquisition of the sites as well as being asked to identify if any section 106 developer contribution funding towards affordable housing will be required and other sources of funding to ensure a viable scheme. The Council would only consider contributing section 106 developer contribution funding if such funding was needed in order to make the scheme viable which would be subject to approval by the Executive.
- 2.4 As part of the tender, the RHP will be asked to provide the Council with 100% nomination rights in perpetuity as this will guarantee access to the re-lets for nominated person's from the Council's housing register
- 2.5 It is proposed that the detailed tender specification and evaluation criteria be approved by the Chief Executive in consultation with the Portfolio Holder for Corporate Resources and Performance prior to publication.
- 2.6 It is further proposed that once the tender process is concluded, the Cabinet receives a further report detailing the tenders received, and the Council's proposed methodology for development and/or disposal of the sites and approval of the budget if required.

Temporary Accommodation

- 2.7 It is proposed that the Council purchases seven additional residential properties in the borough on the open market for use as temporary accommodation properties. At its meeting on 2 March, Council approved a Temporary Accommodation capital budget of £1,160,000 for this purpose subject to confirmation of the business case i.e. this report. This is to meet the commitment in the original Burton Road/Station Road business case of seven permanent units to address the ongoing demand and reduce the cost of B&B placements. Based on market research an average price of £160,000 including purchase costs per unit is assumed. In each case, the suitability of the property for temporary accommodation will be assessed and a valuation undertaken in line with the Council's Standing Orders for dealing with land. It is anticipated that depending on size and condition, some properties are over or under the £160,000 average price. There may be flexibility in relation to

each individual property depending on size and suitability but overall the seven properties would remain within the approved budget envelope.

2.8 With the seven properties previously purchased under the February 2021 Cabinet approval, this will increase the number of Council-owned temporary accommodation properties by fourteen, increasing the total to twenty-one. This is one permanent temporary accommodation unit below the expectation in the original business cases which planned for fifteen additional units, with £120,000 remaining of the original capital budget for Temporary Accommodation. However, this is offset by the proposed retention for a longer period of the three leased properties for a longer period than initially anticipated. Subject to approval of the carry forward of the remaining capital programme budget at year-end, as an addition to this 2023/24 approved scheme, it is anticipated that this will be sufficient to secure the full number of units as expected in the original business case.

2.9 It is proposed that authority is delegated to the Chief Executive, in consultation with the Portfolio Holder for Corporate Resources and Performance, to approve the acquisition of the properties to enable the Council to act competitively when making offers for suitable properties. .

3 Alternative Options

The Business Case provides a comprehensive review of the alternative options which is summarised below.

3.1 Do Nothing

The option to “do nothing” is not recommended as the vacant sites will continue to attract community concern which could damage the reputation of the Council. This option would also represent a failure to implement the objectives of the Gedling Plan and will fail to address the current demand for affordable homes and temporary accommodation. This option would not realise the community benefit of historic investment to purchase and clear these sites ready for the provision of new homes.

This option would also fail to address the increased financial pressures on temporary accommodation and Bed and Breakfast expenditure.

3.2 Dispose of the sites on the open market

The option to dispose of the sites in the open market is not recommended. Whilst the sale of the sites would generate a capital receipt, the Council would have no influence over development of the sites and, if for residential development, the type of properties provided. Furthermore, the Council would not be able to secure nomination rights for households on the waiting list for social housing, in housing need.

Pursuing this option is not compatible with the use of Section 106 funding and Homes England grant to prepare the sites for the development of affordable homes and therefore the Council would be liable for repayment of these funds to the sum of £259,700. Further, disposal of part of the Burton Road site on the open

market would require prior approval from the Secretary of State as the land was acquired using the Council's housing powers available at the time.

3.3 Continue with the original business case and for the Council to develop the land for affordable housing and temporary accommodation and manage the homes when occupied

The option to continue with the original business case is not recommended in view of the current financial climate, the internal capacity, and the lack of experience and expertise within the organisation to deliver the construction phase of the project, and to manage a social housing portfolio. The benefits to be derived from pursuing this option are not considered to be commensurate with the risks.

The Council in pursuing this option would not be able to secure temporary accommodation in a timely way as the construction process takes time and therefore would not address immediate demand pressures which are ongoing due to the lower than expected number of temporary leased properties being secured in the original Temporary Accommodation business case, in conjunction with further growth in demand. Likewise, the development and clustering of temporary accommodation on the two development sites could impact adversely upon local neighbourhoods and may require additional management input (this risk was previously considered and still remains significant).

This option would also result in the Council being liable for the maintenance and up keep of the social housing stock and potential Right To Buy applications (again, this risk was previously considered due to the potential financial cost associated with it, and still remains significant).

Under the proposed scheme within this report, by pursuing an option to tender for a RHP to develop the sites the Council's financial contributions would be limited to a potential land consideration and Section 106 contributions subject to the RHPs proposals. There being an opportunity if financially viable for bidders to provide a net capital receipt contribution to the Council which could then contribute to the costs of purchasing additional properties if approved for that purpose.

3.4 Other Alternative Options

A number of other alternative options have been considered but are not recommended as they either fail to address the strategic housing priorities of the Council, involve an unacceptable level of risk, or are not viable. These included:

- Development for other uses such as commercial, retail and/or leisure purposes;
- Residential development by the Council for market rent and / or sale units.

4 Financial Implications

4.1 Original Business Case Station Road and Burton Road Affordable Housing Scheme

The original approved capital budgets for the Burton Road and Station Road affordable housing schemes totalled £2,647,000. The Council spend to date on the scheme totals £324,882 funded by:

- S106 (£259,691)
- Home England funding (£13,125)
- Other funding (£52,066)

Given the project delays and the potential impact on the original business case the budget of £2,647,000 has now been removed from the capital programme to enable the revised business case to be considered. The original approved scheme was intended to be financed by a combination of prudential borrowing and Section 106 contributions from developers for affordable housing and government grant.

4.2 The Council's original business case assumed that the scheme would achieve a small annual surplus totalling £33,700 over a 5 year period of the Medium Term Financial Plan when charging rents at Local Housing Association (LHA) rates.

4.3 Since the original business case was produced, the government grant is no longer available, inflation in construction costs has increased by around 10.2% and borrowing interest rates have increased from 1.94% to 4.5% The increased capital budget for construction of £284,000 and the reduced government grant could be broadly offset by the use of additional S106 contributions totalling £455,000. Based on these revised assumptions it is now estimated that delivering the currently approved scheme as originally envisaged would result in an average annual revenue cost of £29,600 totalling £148,000 over the 5 year period of the Medium Term Financial Plan.

4.4 New Business Case - Station Road/Burton Road Development and Temporary Accommodation

The new business case is splits into two schemes:

- An affordable housing project for delivery by a RHP to build up to 15 units of affordable housing across the two sites, potentially with the assistance of Section 106 contributions if required to support a viable scheme as determined by the procurement process. Any proposed use of S106 contributions will be subject to approval by Cabinet. The new business case assumes that there will no contributions required from Gedling Borough Council resources and therefore no ongoing revenue costs arising from the scheme. This position will be confirmed by the procurement process; and
- A Temporary Accommodation project to acquire seven properties to meet the commitment of the original Burton Road and Station Road projects. A capital budget of £1,160,000 has been approved by Council for this purpose subject to confirmation of this business case.

4.5 The net revenue implication of the new Temporary Accommodation Scheme is estimated to be an average annual cost of £57,000 totalling £285,000 over the period of the Medium Term Financial Plan. The revenue implications are included in the budget approved by Council in March and have therefore been assessed as

affordable in the Council's Medium term Financial Plan, subject to confirmation of this business case.

4.6

A summary of the financial implications is detailed in the table below with full analysis and underlying assumptions included in the business case in Appendix 1:

	Option 2 Council Construct and Manage Affordable and Temporary Accommodation		*Option 3 RHP Develop Affordable *Housing Scheme and GBC Acquire Temporary Accommodation
	Original Business Case 2021	Revised Business Case 2023/24	New Proposed Business Case 2023/24
	£	£	£
Capital Budget Requirement:			
Costs	2,647,000	2,931,000	1,160,000
Financed by			
Section 106	(789,000)	(1,244,000)	0
Starter Homes Grant	(176,000)	(34,300)	0
Prudential Borrowing	(1,682,000)	(1,652,700)	(1,160,000)
Total Financing	(2,647,000)	(2,931,000)	(1,160,000)
Ongoing Revenue Budget Implications:			
Average Annual Cost (years 1-5)	(7,000)	29,600	57,000
Whole Life Cost (40 years)	(1,083,000)	370,000	705,600
Number of Housing Units	15	15	Up to 22
*Note: Costs only relate to Temporary Accommodation –and assumes that the RHP delivery model does not require S106 Contributions. This final business case to be confirmed by the proposed procurement process			

4.7

Whilst the new proposed business case presents an increased cost compared to the revised business case of the original scheme it is important to note that the new proposal includes up to 7 additional affordable housing units that will be available to the Council with 100% nomination rights in perpetuity subject to confirmation in the procurement process, potentially further reducing the burden on the Council's homelessness costs. There is also potentially a lower commitment required for the use of S106 contributions (although this will be subject to the procurement process) which may then be available to support the delivery of further affordable housing units in future projects.

4.8 It is also anticipated that following a review of the market, that the 7 units can be purchased within 6 months as opposed to construction of the units taking at least 24 months and therefore will deliver expected B&B savings earlier, bring the B&B budget to a more manageable level. The table below sets out the potential impact on B&B costs.

Scheme Costs Compared to Savings On Bed and Breakfast

	Option 2 Revised Business Case			Option 3 – Temporary Accommodation Acquisition		
	Net Addition Rev Cost	B&B Saving	Net Cost/ (Saving)	Net Addition Rev Cost	B&B Saving	Net Cost / (Saving)
	£	£	£	£	£	£
Year 1	29,600	0	29,600	57,000	(56,000)	1,000
Year 2	29,600	0	29,600	57,000	(112,000)	(55,000)
Year 3 ongoing	29,600	(112,000)	(82,400)	57,000	(112,000)	(55,000)
Note: The level of ongoing savings is dependent upon future homelessness demand						

- 4.9 The approved budget for net B&B costs in 2023/24 is £126,400 based on current demand levels. This includes an assumption that all new owned and leased properties acquired under the original temporary accommodation project i.e. 10 units are in place and used at the commencement of the financial year. The ongoing funded base budget for B&B is £35,000 leaving a balance of £91,400 which is currently expected to be funded by earmarked reserves in 2023/24. There is insufficient in reserves to assume ongoing funding at this level beyond next year and it is therefore essential that savings in bed and breakfast are achieved. Subject to approval this scheme, together with the carry forward of the remaining current year capital budget for Temporary Accommodation, to enable the acquisition of all of the units assumed in the original business cases: in a full year it is projected that Option 2 from year 3 will deliver net B&B savings broadly in line with those required to remove the reliance on reserves; and Option 3 from year 2, whilst reducing it substantially leaves an ongoing reliance on reserves in the region of £21,000 based on current approved estimates. Option 3 will alleviate the immediate pressure on reserves in year 2 but will require a commitment to use other grant funds to support the B&B budget if demand continues at this level.
- 4.10 Also, option 2 assumes that RTB would not be taken up by prospective tenants and is not therefore factored into the financial assessment on the ten affordable housing units although this is mitigated in the first 15 years of the scheme if a Cost Floor Policy is adopted which enables development costs to offset the RTB discount (if this right was exercised after year 15 it would greatly reduce ongoing income streams).
- 4.11 The disposal of these sites to allow the development of affordable housing by a RHP reduces some of the uncertainty outlined above, including incurring additional costs in future years along with greater flexibility on temporary accommodation location.
- 4.12 The current book value of the two sites is £160,800. Before any disposal took place an independent valuation would be required, and procurement of this is underway.

4.13 In conclusion, although the new option 3 for the RHP to build Affordable Housing on the sites and for the Council to extend the temporary accommodation programme may financially advantageous over the whole life of the scheme, this is the preferred option as it transfers the risk of construction costs, time/delivery management, and right to buy scheme take-up to the RHP. Furthermore it increases the number of affordable homes and allows more flexibility for the temporary accommodation locations across the Borough.

4.14 The disposal of these sites to allow the development of affordable housing by a RHP reduces some of the uncertainty outlined above, including incurring additional costs in future years along with greater flexibility on temporary accommodation location.

5. **Legal Implications**

5.1 The Council will need to comply with any powers used to acquire the sites. No. 23 Burton Road was acquired using powers under the Housing Act 1957. This means that that part of the Burton Road site must be used for the provision of housing or associated infrastructure except where consent of the Secretary of State has been obtained, unless the land was appropriated by the Council for another purpose. Numbers 25-29 (odds) Burton Road were acquired under section 120 of the Local Government Act 1972 which does not restrict how the site is developed or disposed of provided the land is used for purposes of any of the Council's functions or the benefit, improvement or development of the area. The powers used to acquire the Station Road site are unknown and therefore there are no known restrictions which prohibit or dictate how that site is developed, whether for residential or commercial purposes.

5.2 Where funding has been utilised for a project (i.e. Homes England funding), the funds must be used for the purposes for which they were applied and in accordance with any conditions of the funding. In addition, any section 106 affordable housing funds for the provision of affordable housing must be used in accordance with the terms as set out in the particular section 106 agreement pursuant to which the funds have been paid. This applies to funds already secured and expended on acquisition and site preparation costs and any future funding. If the land were developed for purposes other than affordable housing there is a risk that the funding expended so far on the two sites would need to be repaid.

5.3 If approved, procurement of a RHP to develop the sites would need to be procured in accordance with the Public Contracts Regulations 2015 and the Council's Contracts & Procurement Rules. The Registered Provider could be procured via a framework (if there is a suitable one) or open tender procedure.

5.4 Submissions by interested RHPs would need to be carefully considered to ensure the compliance with the Subsidy Control Act 2022 (the Act). If the land were to be transferred to a RHP at an undervalue or the Council were to provide them with section 106 developer contributions to part fund the development of the sites this could amount to a subsidy and we would need to assess whether one of the exemptions in the Act applies. The minimum financial assistance exemption could be relied upon if the financial assistance to the RHP does not exceed £315,000 within the current and previous two financial years. This will depend on the value of the land and whether the RHP makes a capital receipt to the Council in exchange for the land and whether any section 106 developer contributions are required to make the scheme viable. A subsidy will also be permitted if it complies with the seven principles set out

in the Subsidy Control Act 2022. Financial assistance for social housing may also be exempt if it falls within a Service of Particular Economic Interest (SPEI).

- 5.5 If any proposal by a RHP did constitute a subsidy, justification in accordance with the principles under the Act or compliance with a relevant exemption would need to be carefully considered and documented in accordance with the BEIS guidance for public authorities ([Annex 2: Public authorities' assessment of how individual subsidies comply with UK-EU Trade and Cooperation Agreement principles - GOV.UK \(www.gov.uk\)](#)).
- 5.6 Finally, we would need to consider the legal powers available to transfer the land to the RHP. No. 23 Burton Road was acquired using powers under the Housing Act 1957. This Act has now been repealed but the land is still held for housing purposes. Under section 32 of the Housing Act 1985 a local authority has the power to dispose of land and dwellings held for housing purposes. However Secretary of State consent is required unless the disposal is covered by one of the General Consents. The General Consent for the Disposal of Land held for the purposes of Part II of the Housing Act 1985 - 2013 provides a general consent for a local authority to dispose of land held for housing purposes where it is vacant land (paragraph A3.2). The land at Burton Road is 'vacant' land under this general consent as the dwelling-house on the land has been demolished. In this regard the Council's Constitution must be followed when disposing of land.
- 5.7 The Council can dispose of its freehold interest in the remainder of the sites pursuant to powers under section 123 of the Local government Act 1972. Under this power it cannot dispose of the land for consideration less than the best that can be reasonably obtained in the market except with the express consent of the Secretary of State. The Government has recognised that there may be circumstances where a local authority considers it appropriate to dispose of land it owns at an undervalue. A general consent exists that permits a local authority to dispose of land at an undervalue without the need for specific consent from the Secretary of State where the authority considers the disposal will help it secure the promotion or improvement of the economic, social or environmental well-being of its area, provided the undervalue does not exceed £2 million pounds.
- 5.8 In respect of the proposals to purchase residential properties off the open market for use as temporary accommodation, the Council owes statutory duties to eligible individuals / households who are either homeless or threatened with homelessness under the Part VII of the Housing Act 1996, which can include a requirement to provide temporary accommodation. The Council must therefore have means of accommodating these households.
- 5.9 The Council has a general power pursuant to section 120 of the Local Government Act 1972 to acquire land by agreement for the purposes of any of their functions or the benefit, improvement or development of the area. The Council can therefore acquire properties off the open market for use as temporary accommodation to fulfil its statutory functions.

6. Equality Implications

An equality impact assessment can be found at Appendix 2.

7 Carbon Reduction/Environmental Sustainability Implications

The RHPs will be expected to outline their Carbon Management Strategies and carbon impacts of their proposals and this will form part of the evaluation process.

8. Appendices

- 8.1 Appendix 1 – Revised Burton and Station Road business case
- 8.2 Appendix 2 – Equality Impact Assessment

9 Background Papers

- 9.1
 - Gedling Borough Council Affordable Housing Delivery FINAL REPORT December 2020 (Savills)
 - Feasibility Collaborative Objective Gateway Report Project – Gedling Borough Council Affordable Housing (Tomlinson) – 16/12/20
 - Report to Cabinet: Regeneration of Land at Burton Road for Affordable Housing (28/06/18)
 - Detailed Business Case: Burton Road and Station Road Housing Schemes (March 2021)
 - Gedling Borough Council Housing Delivery Vehicle Options Appraisal - Mark Baigent Consulting Limited (June 2018)
 - Report to Cabinet: Burton Road and Station Road Regeneration Sites (18/03/21)
 - Report to Cabinet Temporary Accommodation (11/02/21)
 - Gedling Plan 2020 – 2023

10 Reasons for Recommendations

- 10.1 Within the Borough there continues to be a need for affordable homes and there is an immediate pressure for additional temporary accommodation. The Council has undertaken preparatory work to prepare both the Burton Road and Station Road sites for development to address this need. In order to progress the development of these sites it is recommended that a competitive tender process be undertaken to secure an experienced RHP. This option will ensure that the Council secures 100% nomination rights whilst it secures additional temporary accommodation properties on the open market to meet the current and projected demand.

Statutory Officer approval

Approved by the Chief Financial Officer
Date: 14 March 2023

Approved by the Monitoring Officer
Date: 14 March 2023