



Derby City Council

**URGENT LEADER OF THE COUNCIL
CABINET MEMBER MEETING
30 August 2018**

ITEM 5

Report of the Strategic Director of Communities and Place.

Proposed use of the Housing Revenue Account to acquire the Aida Bliss site

SUMMARY

- 1.1 At the 22 October 2014 Cabinet meeting, members gave delegated authority to the Chief Executive, Strategic Director of Resources and the Strategic Director of Neighbourhoods in consultation with the Cabinet Member for Planning and Regeneration, to purchase land to ensure the delivery of the Our City Our River (OCOR) Project.
- 1.2 In line with this authorisation, delegated approval was given in May 2017 for the acquisition of the Aida Bliss site.
- 1.3 It is now proposed that rather than being acquired through resources set aside to deliver the OCOR project, that the site now be acquired by the Housing Revenue Account (HRA).
- 1.4 The acquisition through the HRA should not delay the council's acquisition of the site or impact adversely upon the delivery of the necessary OCOR flood defences.

RECOMMENDATION

- 2.1 To authorise that the acquisition of the Aida Bliss site be funded through, and subsequently held in, the council's HRA for future development purposes.

REASONS FOR RECOMMENDATION

- 3.1 To enable the council to fully appraise the site's potential to deliver new affordable homes through the HRA.

SUPPORTING INFORMATION

- 4.1 The Aida Bliss former factory site is a key OCOR package 1 site and its acquisition will enable the Council to both deliver the flood management works required by OCOR and to better control the redevelopment of this sensitive site. The Aida Bliss site has been identified in the OCOR Masterplan (2012) as having 'significant redevelopment potential to offer a high quality residential development'.

- 4.2 At the 22 October 2014 Cabinet meeting, members gave delegated authority to the Chief Executive, Strategic Director of Resources and the Strategic Director of Neighbourhoods in consultation with the Cabinet Member for Planning and Regeneration, to purchase land to ensure the delivery of the Our City Our River (OCOR) Project.
- 4.3 In line with this authorisation, delegated approval was given in May 2017 for the acquisition of the Aida Bliss site.
- 4.4 In September 2017, a tragic fatality occurred on the site.
- 4.5 This sad loss, resulted in the council putting the acquisition on hold whilst a comprehensive review of security arrangements for the property, post acquisition, were completed. Satisfactory arrangements have now been put in place and will be maintained once the council acquires the site.
- 4.6 In June 2018, delegated approval was given for the acquisition of the Aida Bliss site together with the freehold disposal of a parking area for Aida Bliss to ensure the redevelopment of the acquired site is not constrained by car parking associated with the continued Aida Bliss operation.
- 4.7 The acquisition of the site, through the HRA, would enable it to be developed for much needed additional affordable homes. A full appraisal will need to be undertaken to ensure that an affordable scheme is viable and determine its scale, tenure and mix.
- 4.8 The acquisition of the site through the HRA will have no effect on the timescale for the acquisition of the site or the level of security arrangements that are to be maintained to keep the site safe.

OTHER OPTIONS CONSIDERED

- 5.1 The site could be acquired through OCOR funding arrangements but this would prevent the full potential of the site being considered to provide much needed affordable housing.

This report has been approved by the following officers:

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| Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s) | Olu Idowu Amanda Fletcher N/A John Green N/A Catherine Williams |
| For more information contact: Background papers: List of appendices: | Ian Fullagar 01332 643405 ian.fullagar@derby.gov.uk None Appendix 1 – Implications |

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| IMPLICATIONS |
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Financial and Value for Money

- 1.1 The acquisition of the site for £600k, excluding taxes and charges, would be funded through the HRA rather than the funds put aside to deliver the OCOR project.
- 1.2 If the full appraisal confirms that a HRA development is deliverable on the site, then associated demolition costs and flood defence works could be met by the HRA together with the ongoing costs of securing the site.
- 1.3 The HRA business plan has sufficient capacity for both the Capital purchase of this site, and its subsequent redevelopment, together with any ongoing revenue costs.

Legal

- 2.1 None directly arising from this report.

Personnel

- 3.1 None directly arising from this report

IT

- 4.1 None directly arising from this report

Equalities Impact

- 5.1 All affordable homes developed on this site will be available to those people determined by the council to be in housing need.
- 5.2 The development will include a proportion of accessible homes built to meet the criteria contained within Part M of the Building Regulations 2010. The demand for accessible properties will be assessed at the design stage to ensure local demand for accessible homes is considered.
- 5.3 This supports the council's commitments to provide disabled people with equal and inclusive access to council services including housing. This is in line with the adoption of the social model of disability in accordance with the council's Equality, Dignity and Respect Policy 2017-2020

Health and Safety

- 6.1 Following an initial assessment of the site, the council identified some additional works to be undertaken to the main building which have now been completed in order to make the building as safe and secure as reasonably possible given the

nature of the former industrial site.

Environmental Sustainability

- 7.1 The installation of the required flood defences will make a valuable contribution to the wider OCOR objectives.

Property and Asset Management

- 8.1 The site and any subsequently developed homes would be held in the council's HRA.

Risk Management and Safeguarding

- 9.1 Arrangements have been put in place by OCOR to ensure the demolition of the additional industrial workshops located to the rear of the site as soon as possible following completion of its acquisition. Furthermore, the site is to be fully herras fenced and will have a 24 hour on site security presence until the risks on site have been sufficiently mitigated.

Corporate objectives and priorities for change

- 10.1 The proposal would contribute towards the council's objective of delivering more affordable housing for vulnerable people and those in housing need.