

# **Cherwell District Council**

## **Council**

**17 July 2017**

### **Build! Programme - Capital Budget**

#### **Report of the Chief Finance Officer**

This report is public  
Appendix 1 to the report is exempt from publication by virtue of paragraph 3 of part 1 of Schedule 12A of Local Government Act 1972.

#### **Purpose of Report**

To approve the capital budget of £200,000 for pre-development costs for Phase 1(b) of the Build! project as recommended by Executive.

#### **1.0 Recommendations.**

The meeting is recommended:

- 1.1 That in accordance with the agreed recommendations of the Executive, the capital budget of £200,000 for pre-development costs for Phase 1(b) of the Build Programme be approved.

#### **2.0 Background and Details**

The Build! programme has been running for a number of years and was set up to deliver certain types of housing unit that was identified as a need for the District and to provide a return on capital invested. This programme has to date delivered 156 residential units, provided regeneration opportunities in the two urban centres, promoted self/custom build and provided a revenue and capital return which can be reinvested in delivering other housing need/regeneration projects.

The Commercial Director and Chief Finance Officer submitted a report to update the Executive on the latest status of the Build! Programme on the 6 June 2017. The Executive report is set out as an exempt appendix to this report, which was agreed by the Executive. The report highlights the work needed on sites in Phase 1 (b) and the costs to cover all costs up to planning. This work will also include clarification of the final budget needed to complete the construction on all three sites which will be presented to Executive in

September. In order to progress Phase 1 (b), the Executive has recommended Council to approve a capital budget of £200,000 for pre-development costs for Phase 1(b) up to planning and to note the estimated capital budget requirement of £6m.

### **3.0 Consultation**

- 3.1 The Executive report included as Appendix 1 was considered at the Build! project board on 16 May 2017 and was discussed with the Lead Members for Housing and Finance as well as Executive on the 6 June 2017.
- 3.2 The statutory officers have also been consulted.

### **4.0 Alternative Options**

- 4.1 The following alternative options have been identified and rejected for the reasons as set out below:

Option 1: Not to support the recommendations within this report would have implications for the delivery of the programme in terms of units and financial return.

### **5.0 Implications**

#### **Financial and Resource Implications**

- 5.1 Council are being asked to approve pre-development costs of £200,000 for phase 1(b), these costs will be added to the capital programme if approved. Further expenditure on the project will require additional approval.

Comments checked by:

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#### **Legal Implications**

- 5.2 There are no specific legal implications arising from this report. The legal team provides advice and support as necessary in relation to procurement and land acquisition/disposal matters.

Comments checked by:

James Doble, Assistant Director – Transformational Governance,  
01295 221587, [james.doble@cherwellandsouthnorthants.gov.uk](mailto:james.doble@cherwellandsouthnorthants.gov.uk)

#### **Risk Implications**

- 5.3 Council should note that some elements of Pre-development costs for phase 1(b) could prove to be abortive if HCA funding is not secured. This risk will be recorded and managed in the Build! Team's operational risk register.

Comments checked by:

Louise Tustian, Team Leader, Strategic Intelligence and Insight Team, 01295 221786, [louise.tustian@cherwellandsouthnorthants.gov.uk](mailto:louise.tustian@cherwellandsouthnorthants.gov.uk)

## 8.0 Decision Information

### Wards Affected

Banbury, Bicester and Cropredy.

### Links to Corporate Plan and Policy Framework

Sound budgets and customer focused council

### Lead Councillor

Cllr John Donaldson, Lead Member for Housing.

Appendix No	Title
1	Report to Executive 6 June 2017 – Build! Programme Update. Exempt from publication by virtue of paragraph 3 of part 1 of Schedule 12A of Local Government Act 1972.
<b>Background Papers</b>	
None	
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