
Council

14th January 2020

Name of Cabinet Member:

Not applicable

Director Approving Submission of the report:

Chief Executive

Ward(s) affected:

Woodlands

Title:

Exercise of Emergency Functions for Homes England Funding

Is this a key decision?

No – this report is being brought in accordance with the provision contained in the Council's Constitution

Executive Summary:

This report informs Council of decisions undertaken by the Chief Executive, in accordance with paragraph 6.1 of Part 3C of the Constitution in consultation with the Leader of the Council, Councillor G Duggins and the Chair of Scrutiny Coordination Committee, Councillor R Brown, to exercise emergency functions in respect of:

- Acceptance of the Additional Grant Funding Amount from Homes England for infrastructure works at Eastern Green in the sum of £2.9 million; and
- To add the Additional Grant Funding Amount to the Council's Capital Programme.

Following the exercise of the decision by the Chief Executive, the Council will accept the additional grant offer and continue to work with the developers and Homes England to deliver a successful scheme which will unlock housing for the benefit of the city.

List of Appendices included:

None

Background papers:

Report to Cabinet on 6th March 2018 and Full Council on 13th March 2018 – “Connecting Coventry – Strategic Transport Investment Programme Update”

Other useful documents

N/A

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

Yes – 14th January 2020

Report title: Exercise of Emergency Functions for Homes England Funding

1 Context (or background)

- 1.1 The Council secured a grant award from Homes England to facilitate the construction of highway infrastructure to unlock the delivery of housing at the Eastern Green Strategic Urban Extension. The grant amount was originally £12.7 million and was approved by Full Council at the meeting dated 13th March 2018 as part of the “Connecting Coventry – Strategic Transport Investment Programme Update” report under the following recommendation:

Notes the addition of the Housing Infrastructure Fund grant awarded for the A45/Eastern Green (£12.7m) and approves addition of the successful A45/Eastern Green project to the Council’s 5 year Capital Programme as approved by Council on 20th February, 2018 and delegates authority to the Deputy Chief Executive (Place), following consultation with the Director of Finance and Corporate Services, to enter into funding agreements as appropriate.

- 1.2 Following further site investigation and analysis, a revised cost estimate was produced and as of 14th October 2019, the Council was informed by Homes England that they were happy to increase the grant amount to £15.6 million in order to ensure sufficient sums to deliver the scheme.
- 1.3 On the basis of the above and the need to sign the Grant Agreement with Homes England before the end of October 2019, the emergency powers were invoked in the case of this Additional Grant offer as there was insufficient time available to secure the usual formal approvals to accept the Grant offer and the need to ensure that the Additional Grant was unlocked at the earliest possible moment to enable the development of the highway infrastructure work to be funded.
- 1.4 In addition, it has now been agreed with the developer that they will take on responsibility for acting in the capacity of a development manager responsible for the delivery of the infrastructure works on behalf of the Council and also provide the Council with an indemnity against any cost overrun and a parent company guarantee.

2 Options considered and recommended proposal

- 2.1 Given the need to facilitate the delivery of the housing scheme and the urgency to sign the Grant Agreement, the Chief Executive agreed that the circumstances constituted an emergency and was satisfied that the decisions to be taken pursuant to this emergency provision were aligned with the recommendations authorised by Cabinet on March 2018.

3 Results of Consultation Undertaken

- 3.1 In accordance with the Constitution, the exercise of emergency functions were undertaken in consultation with the Leader of the Council and the Chair of Scrutiny Coordination Committee, who confirmed agreement to this course of action.

4 Timetable for implementing this decision

- 4.1 The grant agreement with Homes England has now been signed by both parties and the infrastructure is scheduled to be delivered by March 2021.

5 Governance Arrangements

- 5.1 A Project Board is in the process of being established to ensure robust governance. The Council will still retain its contractual responsibility as client for the delivery of the works and work closely with the developer.

6 Comments from Director of Finance and Corporate Services

6.1 Financial implications

- 6.1.1 The additional grant funding will provide additional resources for the infrastructure works which makes taking on the works more attractive to the developer as there is a reduced risk of cost overrun.
- 6.1.2 As noted in 1.4 above, the works are being delivered by the developer and an indemnity and parent company guarantee will be provided. This will minimise risk to the Council.

6.2 Legal implications

- 6.2.1 Part 2M of the City Council's Constitution provides for the Scheme of Functions delegated to Employees, including to the Chief Executive/Head of Paid Service. Paragraph 3.8 of Part 2M enables the Chief Executive, in consultation with the Leader, to make decisions in an emergency.
- 6.2.2 The decision taken by the Chief Executive is in compliance with the Council's Constitution and as such, there is no legal implication associated with the contents of this report.

7 Other implications

7.1 How will this contribute to the Council Plan (www.coventry.gov.uk/councilplan/)?

- 7.1.1 The grant funding that has been accepted through use of the emergency powers will enable the Council to deliver against the objective of increasing the supply choice and quality of housing.

7.2 How is risk being managed?

- 7.2.1 The risk register will continue to be updated to highlight key risks and put in place appropriate mitigation.

7.3 What is the impact on the organisation?

- 7.3.1 The grant funding secured for the infrastructure works at Eastern Green will enable the Council to unlock a large scale housing development.

7.4 Equality and Consultation Analysis (ECA)

- 7.4.1 No adverse impact on any group protected under the Equalities Act is anticipated in this decision.

7.5 Implications for (or impact on) climate change and the environment

- 7.5.1 None identified at this stage but the project will undergo an appropriate environmental impact assessment as part of the scheme development phase.

7.6 Implications for partner organisations?

- 7.6.1 Coventry City Council will continue to work closely with Homes England and the developers through scheme delivery.

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Place

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