

CAPITAL APPROVAL OFFICER DELEGATED DECISION FORM

Officer Name:	<i>Tim Hewitt</i>
Director Title:	<i>John Wilkinson</i>
Service Area:	<i>Economy & Growth</i>
Decision Maker:	<i>Martin Shields</i>
Date of Draft:	<i>22/11/2018</i>

Details of Decision:
 A decision to allocate £155,000 to support Housing Infrastructure Fund Forward Funding business case development.

Reason/Rationale for the Decision:
 The decision will provide the necessary resource to part-develop the Housing Infrastructure Fund business case (including expenditure associated with land assembly costs) which seeks up to £230M of infrastructure support from Homes England to unlock significant housing delivery. This is a UK competitive bidding process and therefore inadequate resource would introduce a significant risk to bid success.

Financial and budget implication:
 The decision will approve capital programme for expenditure from the WECA match provisional budget allocation in 2018/19. This will support future investment in land and infrastructure to delivery housing growth via WECA investment funding.

Project Spend Areas	Total Approval	2018/19	2019/20	2020/21	2021/22	2022/23	Future years
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Acquisition of land & buildings	120	120					
Fees - external	35		35				
	-						
	-						
	-						
	-						
Total Approval	155	120	35	-	-	-	-

This initial funding supports the establishment of the WECA land investment fund of £30M to support the strategic aim of accelerating and delivering housing growth across the Joint Spatial Plan (JSP). This initial expenditure is proposed to be re-funded via the WECA one front door approach upon the establishment of the fund (expected by March 2019).

There is no asset transaction linked to this initial expenditure and therefore no direct revenue liabilities incurred outside the cost of financing the approved budget.

Revenue Cost / Income Cat	Total Approval	2018/19	2019/20	2020/21	2021/22	2022/23	Future years
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Other - described in 5a) below	-						
	-						
	-						
	-						
Service Supported Borrowing Calculation	-						
	-						
	-						
	-						
	-						
	-						
Total Approval	-	-	-	-	-	-	-

OK

There is a revenue reversion risk associated with the expenditure on this project, should the further programme not receive approval and an asset not ultimately be developed. This risk is considered to be low and is mitigated by reclaiming funds from WECA.

Other key risks to the project and their mitigations include:

RISKS	
Key Risks to Project	Mitigating Actions
JSP Policy challenge via Examination in Public	Alternative allocation via Local Plan process
Land acquisition & infrastructure funding via HIF is not secured	Failure to secure funding means sunk costs associated with developing the business case and land strategy cannot be recouped as no assets are delivered. This leads to Council revenue reversion.
Land for highway access requires CPO	Develop robust Policy evidence base to support
Network Rail agreement to bridge main line	Progress agreement of infrastructure benefits

Other issues addressed in reaching this decision: *(select as appropriate)*

Social Inclusion	X	Disability Equality	
Customer Focus		Other Equality	
Sustainability	X	Human Rights	
Human Resources		Corporate	
Property	X	Other Legal	
Young People			

Details of Other Options Considered:

Do Nothing and or defer until WECA have defined source of fund. Doing Nothing will not provide necessary resource to our HIF business case for £230M infrastructure support weakening the bid to Homes England. As this is a UK competitive process this would introduce a significant risk to success. Waiting would delay the submission of the OBC and therefore not enable WECA to apply for the HIF within timeframe.

Details of Consultation: *(select as appropriate, but always requires s151, Portfolio Holder for Finance and Efficiency, and appropriate Service Portfolio Holder to be ticked)*

Portfolio Holder for Finance and Efficiency	✓	Service Portfolio Holder	✓
Ward Members		Service Users	
Parish/Town Council(s)		Trades Unions	
Local Residents		Charter of Trustees of Bath	
Community Interest Groups		Other Services in B&NES	
Monitoring Officer		Section 151 (Finance)	✓
Head of Paid Service (CX)		Other	
Youth Council			

Other Relevant Comments: