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EXECUTIVE DECISION RECORD

A1 Service Area	Enterprise
A2 Title	Establishing a delivery vehicle for the Self Build Project
A3 Decision Taken By	Deputy Leader
A4 Chief Officer	Please print name: Paul Costiff Please sign name: 
A5 Leader / Deputy Leader	Please print name: Cllr Patricia Ackroyd Please sign name: 
A6 Date of Decision	1/2/17

Confidentiality

A7 Is this Decision confidential by containing exempt information as described in Schedule 12A of the Local Government Act 1972?	No
A7.1 If yes, please state relevant paragraph from Schedule 12A LGA 1972.	

Scrutiny

A8 Which Scrutiny Committee should this decision be submitted to?	(Please tick as appropriate) ✓
Scrutiny (Promoting Local Economic Growth) Committee	
Scrutiny (Value for Money Council Services) Committee	✓
Scrutiny (East Staffordshire Health) Committee	

<p>B1 What is the Decision?</p>	<p>To begin the process, in accordance with the Council's constitution, to establish a Council owned company, limited by shares, as a vehicle to deliver the approved self build project.</p>
<p>B2 What are the reasons for the Decision?</p>	<p>Delivery of a self-build project on Council owned land was included in the 2016/17 Corporate Plan.</p> <p>With many areas of the United Kingdom facing severe housing shortages, self build housing has become an important element of the Government's housing strategy because self build homes are seen as one of the ways this output can be increased.</p> <p>Government legislation has left the responsibility with local authorities to both assess demand for self build and provide land.</p> <p>In February 2016, Cabinet considered a feasibility report into local custom self build at Council owned Land at Lynwood Road, Branston.</p> <p>A detailed business plan was produced last summer and this identified that in-house delivery of a custom self build scheme was not financially viable due to the impact on our partial exemption VAT position. In any case, to the extent that the scheme would be classified as a commercial activity, section 4 of the Localism Act 2011 requires that the Council must carry out that activity through a company.</p> <p>The Council has therefore undertaken exploration of the option to deliver the scheme via a limited company, held at arm's length. This research work included consultant advice from KPMG and Grant Thornton, which indicated that this is the most viable model of delivery. Discussions have also taken place with CIPFA and with a number of local authorities that have already established private trading companies.</p> <p>In order to take this forward additional external legal and financial advice is necessary in order to set out a detailed proposal and business case for future approval, in accordance with the Council's constitution. This will:-</p>

	<p>a) ensure the company is established in an appropriate form, including suitable governance arrangements;</p> <p>b) Outline how any transfer of assets from the Council into the Company, such as its land holdings at Lynwood Road will be undertaken;</p> <p>c) Expand the existing business case to detail the tax implications of this delivery model;</p> <p>d) Detail the risks associated with the scheme.</p> <p>The Company will be set up to ensure that, where appropriate and beneficial to the Council, other activities could potentially be added to its area of operation, when a further decision is formally taken to do so.</p>
B3 What are the contributions to Corporate Priorities?	Value for Money Council Services
B4 What are the Human Rights considerations?	There are no Human Rights issues arising from this decision.

Financial Implications

B5 What are the financial implications?	The financial implications of this decision solely relate to external legal and financial advice to support the development of this proposal, details of which will be set out within a future decision
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Revenue	2016/17	2017/18	2018/19
Finance / Legal advice (to be met from the Growth Point earmarked reserve)		£15k	

Capital	2016/17	2017/18	2018/19

The finance section has been approved by the following member of the Financial Management Unit:	Lisa Turner
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Policy Framework

B6 Is the Decision wholly in accordance with the Council's policy framework?	Yes
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B6.1 If No, does it fall within the urgency provisions (Part 3 of the Constitution)?	N/A
B6.2 Has it got the appropriate approvals under those provisions?	N/A
B7 Is the Decision wholly in accordance with the Council's budget?	Yes
B7.1 If No, does it fall within the urgency provisions (Part 3 of the Constitution)?	N/A
B7.2 Has it got the appropriate approvals under those provisions?	N/A

Equalities Implications

B8 What are the Equalities implications:
B8.1 Positive (Opportunities/Benefits): N/A
B8.2 Negative (Threats): N/A
B8.3 The subject of this decision is a policy, strategy, function or service that is new or being revised. An equality impact assessment is not required.

Risk Assessment

B9 What are the Risk Assessment implications:
B9.1 Positive (Opportunities/Benefits):
B9.2 Negative (Threats):
B9.3 The risks do not need to be entered in the Risk Register.

Legal Considerations

B10 What are the Legal Considerations:	
B10.1 The main legal issues arising from this decision are as follows: Complying with the Council's Localism Act obligations by ensuring that the vehicle is set up appropriately. This will be achieved by the use of external advice where necessary.	
This section has been approved by the following member of the Legal Team:	Angela Wakefield

Sustainability Implications

B11 What are the Sustainability implications:

B11.1 The proposal would not result in an overall positive effect in terms of sustainability (including climate change and change adaptation measures).

Health & Safety Implications

B12 What are the Health & Safety implications:

B12.1 A Risk Assessment has not been carried out and entered into Harriet for all significant hazards and risks because there are no significant hazards or risks arising from this decision.

Key Decision

B13 Is this a Key Decision?	No
Note: A Key Executive Decision is one where:	
<ol style="list-style-type: none"> 1. REVENUE – Any contract or proposal with an annual payment or saving of more than £100,000 2. CAPITAL – Any capital project with a value in excess of £150,000 3. A decision which significantly affects communities living or working in an area comprising two or more wards. 	
B13.1 If this is a Key Decision, is this an urgent decision such that a delay caused by use of the Call-in Procedure would seriously prejudice the public interest?	N/A
B13.2 If yes, has the Mayor or in his/her absence the Deputy Mayor or in his/her absence the Chair of the relevant Scrutiny Committee agreed that the decision will be exempt from Call-in?	N/A

NOTE: If this decision is subject to the Call-in Procedure it will come into force, and may then be implemented, on the expiry of 3 working days after publication – unless 10 Members of the Council call in the decision.

Please send the original signed document to andrea.davies@eaststaffsbc.gov.uk