



ADUR & WORTHING
COUNCILS

**Record of Officer
Executive Decision
Ref. No: DforC/001/19-20
Date of Decision: 12/06/2019**

If you have any questions about this decision, please contact 01903 221006 or email heather.kingston@adur-worthing.gov.uk.

Record of Decision: Award of Contract for Albion Street Development
Decision taken by: Head of Housing
Declaration: I do not have a disclosable pecuniary interest, or conflict of interest.
Delegated authority: As per resolution at the Joint Strategic Committee meeting - 2 April 2019 (<i>JSC/116/18-19 HRA Development - update and next steps</i>) - vi) delegated authority to the Director of Communities to conclude negotiations and enter into a contract to acquire the planning permission, designs, intellectual property and contract documentation associated with the development of the site. And further sub delegated by the Director for Communities to the Head of Housing on 5 June 2019, to be exercised in consultation with the Adur Executive Member for Customer Services, in the absence of the Director for Communities.
Decision: <i>To enter into a contract with Albion Street Developments in order to acquire the planning permission, designs, intellectual property and all relevant contract documentation in order to pursue the development at Albion Street, Adur, as per the delegation agreed at the Joint Strategic Committee on the 2 April 2019, and further sub delegation of 5 June 2019.</i>
Key Decision: Yes
Reason for the Decision: Adur District Council entered into a non-binding arrangement with Albion Street Developments Ltd (ASD) in order to develop the site at Albion Street, Adur, into 15 homes for the Housing Revenue Account (HRA) - at social rents, and 29 other homes for sale. At the time this arrangement was made, the Council, via the HRA was unable

to borrow additional funds for housing development, as a formal cap was in place. ASD, have during this process developed full architectural designs, completed public consultation, secured planning permission for the site and completed a full procurement/tender process in order to appoint a construction partner. At the conclusion of this process it was evident that the project was not financially viable for ASD, however due to changes in regulation, the Council is now in a position to borrow additional funds in order to develop the whole site for affordable homes for Adur District Council.

As a consequence of these changes, officers have entered in good faith, into detailed discussions, with ASD to secure agreement and enter into a contract to acquire the planning permission, designs, intellectual property and contract documentation associated with the development of the site. This complex process has been supported with legal advice from Eversheds and Sutherland who have supported this process throughout. A full schedule of contracts, warranties and costs associated with this process has been compiled and agreed, to ensure the Council's best interests are maintained. The agreement will only be concluded and payment will only be made, upon full receipt of all signed contracts.

Having reviewed the information from Eversheds and Sutherland with the support of the in house legal team, and those who have been involved in the detailed discussions with the developer, I am satisfied that the agreement reached with ASD represents best value to the Council both in terms of intellectual and contractual rights to be acquired.

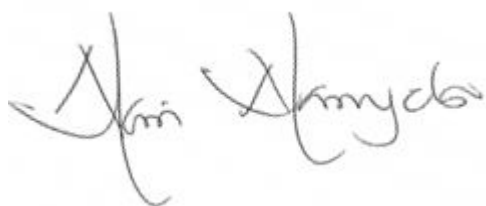
Having reviewed the materials that have been provided by our instructed solicitors and sought advice from relevant internal colleagues, I am also of the view that this represents best value for the Council at this time in order to enable the Council to move to the next phase of this project.

Alternative Options Considered:

The two alternatives considered were to

1. Abandon the project - this is not considered appropriate given the investment in this work to date both in terms of officer time and cost; and the fact that an empty property still remains on the site.
2. Start the project from scratch appointing new architects and seeking planning permission for a new development on the site. Again given the investment in this project to date and amount of work completed this would not represent best value for the Council or our communities.

Other Matters Considered:			
Legal Advice and Issues	x	Financial Advice and Issues	x
Sustainability Issues	x	Equality Issues	x
Community Safety Issues	x	Human Rights Issues	x
Reputation	x	Risk Assessment	x
Health and Safety Issues	x		
Consultation:			
<p>As required within the sub-delegation of this decision, the Executive Member for Customer Services for Adur District Council has been consulted and is in full agreement with this decision.</p> <p>Members were consulted on the overall scheme and this process via a formal report to the Joint Strategic Committee on the 2 April 2019, recommendations were subsequently agreed at the meeting of the Adur District Full Council.</p>			
Background Papers:			
Joint Strategic Committee meeting - 2 April 2019.			
Call-in: The call-in deadline for this decision will be 5:00pm on 20 June 2019.			



Signed:

Dated: 11/06/2019

Name: Akin Akinyebo; Head of Housing

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