

Report

Cabinet Member for Adult and Housing Services

Part 1

Date: 5 September 2016

Subject Capital Grant Funding for the Gypsy and Traveller Site

Purpose To agree the application to Welsh Government for the capital funds for the construction of the first phase of the Gypsy and Traveller Site.

Reason For Urgency

Welsh Government have for the first time invited in year bids from Local Authorities for the Gypsy and Traveller sites capital grant, this opportunity is only available for local authorities who have a proposed site with planning consent. The deadline for applications is Monday 5th September at 11am. Therefore in order to achieve the required timescale it has not been possible to go through the Council's agreed consultation process and therefore not subject to the Council's call in procedures

Author Housing and Assets Manager

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Summary The Welsh Government provides the Capital Grant for the construction of Gypsy and Traveller sites, and local authorities are invited to bid for this money annually. This year due to additional money being made available an in-year invitation to bid has been issued. Newport City Council is bidding for £1.5 million to enable the delivery of the site at Hartridge Farm Road which recently received planning consent, thereby making it eligible for grant aid.

Proposal To agree the application to Welsh Government for the capital grant for the construction of the first phase of the Gypsy and Traveller site at Hartridge Farm Road.

To take this decision urgently to meet the necessary deadline as described above, and to inform the Audit Committee of the reasons for urgency at a future meeting.

Action by Head of Service for Regeneration, Investment and Housing

Timetable Immediate

This report was prepared after consultation with:

- Head of Law and Regulation
- Head of Finance
- Head of People and Business Change

Signed

1. Background

- 1.1 The Housing (Wales) Act 2014 became law on the 17th September 2014 when it received royal assent. One of the key principles of the act was to:
 - Place a duty upon local authorities to provide sites for Gypsies and Travellers where a need has been identified.
- 1.2 In order to assist local authorities in providing sites Welsh Government has made capital finance available every year for site construction. The finance is available on an annual basis and bids are usually invited from local authorities in January each year.
- 1.3 In view of the number of authorities now needing to comply with the above Act, Welsh Government has made additional finance available this year and has invited further bids to reach them by the 5th September.
- 1.4 The site capital grant can fund 100% of the costs of site construction and does not require match funding from the local authority. However, the grant cannot fund site acquisition costs, costs already accrued for preparation of planning applications, land remediation costs, site feasibility studies and ongoing maintenance costs.
- 1.5 The details required for the bid include:-
 - Planning consent documents
 - Projected expenditure in excel format
 - Project Plan/Gantt chart
 - Risk register
 - Management plan
- 1.6 Due to the requirement to have full planning consent in place there are limited local authorities that can bid for the grant this financial year, though obviously, funding cannot be guaranteed.
- 1.7 Local Authorities can bid for up to a maximum of £1.5 million for any one phase of a development. It is understood that this additional bidding round is for a maximum of £1.5 million.
- 1.8 The delivery of a Gypsy and Traveller site was identified as a specific need for Newport as part of the development of the Local Development Plan. A robust process was undertaken by a working group of members to identify potential sites for inclusion, and the site at Hartridge Farm Road was ultimately agreed by the Inspector and subsequently Council.
- 1.9 A planning application for the site was then developed and consent was given by Planning Committee on 11th August 2016. The planning application was for the full 35 pitches, though the development will take place in a phased way. In view of planning consent having been obtained Welsh Government invited Newport to submit a bid for the grant funding. The grant funding would enable the first phase of the site to be developed, 9 pitches, site entrance and landscaping, refurbishment of the current road safety office into an office and meeting room.
- 1.10 If Newport is successful in its bid, the grant money has to be spent by the 31st March 2017, and would therefore enable the first aspect of the works described above to take place, i.e. road construction, infrastructure, utilities, pitch layout, boundary treatments, office/meeting room refurbishment.
- 1.11 Construction of the day rooms would then be completed the following financial year and site occupation is anticipated in August 2017.

2. Financial Summary

	Year 1 (Current) £	Year 2 £	Year 3 £	Ongoing £	Notes including budgets heads affected
Costs (Income)	0	0	0	0	Provision had been made within the Capital budget for whole site construction and therefore if grant funding is obtained there will be a more limited call upon the Councils own resources
Net Costs (Savings)	0	0	0	0	
Net Impact on Budget	0	0	0	0	

3. Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
Failure to obtain grant	Delay to development of site	L	Ensure that the bid for grant funding is robust	Housing & Assets Manager
Obtain grant this year but no grant available next year	Requirement for NCC to provide the capital grant funding	M	Money has been set aside within the capital programme for the development of the site, should total funding not be available	Capital Accountancy
Failure to obtain the grant funding in subsequent years	Failure to comply with Housing Act 2014 and potential impact on LDP	H	If the site is not development the risks are significant, and therefore NCC needs to ensure that bids for capital grant funding are submitted in a timely manner and that capital funding is available internally if this is not successful	Housing & Assets Manager and Capital Accountancy

* Taking account of proposed mitigation measures

4. Links to Council Policies and Priorities

Improvement Plan 2016 -2018

A Fairer City – Ensuring people have access to suitable accommodation.

A Caring City – Where people live in sustainable communities.

A Learning and Working City – where life chances of children and young people are improved.

Wellbeing of Future Generations (Wales) Act 2015 – A healthier Wales, a more equal Wales and ensuring a Wales of cohesive communities

5. Options Considered

- 5.1 To apply for grant funding from Welsh Government this financial year, with money awarded from 1st October 2016.

- 5.2 To wait and apply for funding at the next bidding round January 2017, grant award will be from 1st April 2017, though there is likely to be more competition from other local authorities for a limited budget

6. Preferred Choice and Reason

- 6.1 To urgently apply to Welsh Government on Monday 5th September for £1.5 million grant funding for the development of the Gypsy and Traveller site at Hartridge Farm Road.

7. Sustainability and Environmental Issues

- 7.1 Sustainability and environmental issues have been considered as part of the planning application preparation and subsequent approval.

8. Crime Prevention Impact

- 8.1 Gwent Police have confirmed that the site design will achieve Secured by Design accreditation.

9. Comments of Chief Financial Officer

- 9.1 The Council's capital programme currently has a budget allocation, funded by borrowing, for the development costs already spent and ongoing in the lead up to on-site construction, as outlined in this report. The availability of WG grant to cover construction costs is essential to the scheme and funding must be utilised intelligently. It is therefore vital that officers bid for the maximum sum available.

10. Comments of Monitoring Officer

- 10.1 There are no specific legal issues arising from the Report. The Council has a statutory duty to provide this gypsy and traveller site in accordance with the Housing (Wales) Act and also the adopted LDP. Detailed planning consent has also been approved for the development of the site. Therefore, it is appropriate to make a capital bid for funding towards the costs of the scheme during the current bidding round. Because of the deadline for submission of bids, then this decision will need to be taken in accordance with the Council's urgent decision-making processes and there is no time for prior consultation or call-in. The reasons for the urgency will need to be reported to Audit Committee in due course.

11. Staffing Implications: Comments of Head of People and Business Change

- 11.1 The provision of a purpose built Gypsy and Traveller site will ensure that families have access to the sustainable services and facilities necessary for their wellbeing, for instance education, sanitation and a safe environment. A robust process of consultation and engagement was undertaken in identifying the site at Hartridge Farm Road and obtaining planning consent. The capital grant would enable the building works to commence at the earliest opportunity and the application is supported.

12. Scrutiny Committees

- 12.1 As part of the Local Development Plan process the Scrutiny Committee reviewed all possible sites, the subsequent consultation comments, and the detailed site appraisal information and recommended to Council that the Hartridge Farm Road site be included within the Plan at its meeting on the 24th April 2013.

13. Equalities Impact Assessment

- 13.1 The delivery of the Gypsy and Traveller site has equality impact assessments undertaken as part of the inclusion within the LDP and as part of the Housing Needs assessment.

14. Children and Families (Wales) Measure

- 14.1 The development of the Gypsy and Traveller site will ensure that children have access to schooling and further education opportunities, as well as good sanitation and safe places to live. Children from the local families have provided responses to the City Council on their desires for the site and these have been taken into account as part of the development and will influence the play provision available.

15. Background Papers

- 15.1 Local Development Plan – available on the Council's web site.
Financial Summary Sheet for Capital Bid for Gypsy and Traveller Site

Date – 5 September 2016

Financial Summary Sheet for Capital Bid for Gypsy and Traveller Site

1) Cost of general site works	£425,594
2) Prelims	£ 89,374
3) Risk allowance	£100,000
4) Design consultancy	£127,000
5) Utility costs	£200,000
6) Community Building refurbishment	£ 75,000
7) On site security	£ 32,000
Total for phase 1A	£1,048,968
1) Building specific works	£802,611
2) Prelims	£168,548
3) Risk allowance	£100,000
Total for phase 1B	£1,071,159
Total site cost of phases 1A and 1B	£2,120,127