

Record of officer decision

Decision title:	Student accommodation on Station Approach final project approval
Date of decision:	29 July 2019
Decision maker:	Acting Director for Economy and Place
Authority for delegated decision:	The non-key Cabinet member corporate strategy and budget decision, on 10/06/2019, confirmed final approval of the project to develop student accommodation on Station Approach: http://councillors.herefordshire.gov.uk/ieDecisionDetails.aspx?ID=6037
Ward:	Widemarsh
Consultation:	The Cabinet member Commissioning, Procurement and Assets was consulted on 5 July 2019 and confirmed her support of the development of student accommodation at Station Approach. The Chief Financial Officer has been consulted on the decision and has confirmed that all due diligence on the funder and funding model has been completed and that there are no other matters outstanding
Decision made:	The acting Director for Economy and Place will enter into all necessary legal agreements and/or the giving of securities or guarantees and take all operational decisions necessary to implement the project within the approved budget and using the project funding approach as advised by the Chief Finance Officer
Reasons for decision:	This decision is in line with the decision by the Cabinet member for corporate strategy and budget decision, on 10 June 2019
Highlight any associated risks/finance/legal/equality considerations:	RISK: Rental Guarantee risk – the risk that all the rooms within the development are not subject to tenancies. This would result in the council having to make a financial payment to meet the rental shortfall to the operator of the student accommodation. RISK: loan default risk – there is a risk that the SPV defaults on the loan and the Council has to step-in. The Council will either have to operate the development themselves and pay rent to the funder or secure a third party to do so
Details of any alternative options considered and rejected:	Not proceed with the development. This is not recommended as it would not deliver the benefits anticipated, in particular the support for HCA and development of higher education provision in the county of Herefordshire
Details of any declarations of interest made:	None

Signed Richard Ball
Director for Economy & Place

Date: 29 July 2019