

PROVISION OF HOUSING PRIMARILY FOR RENT ON THE COUNTY COUNCIL'S PORTFOLIO: CALLED-IN DECISION

To: Cabinet

Date: 4th March 2014

From: Resources and Performance Overview and Scrutiny Committee

Electoral division(s): Queen Ediths

Forward Plan ref: 2014/019 *Key decision:* Yes

Purpose: To refer back for reconsideration the Cabinet's decision of 28th January 2014 regarding the provision of housing primarily for rent on the County Council's portfolio.

Recommendation: Cabinet is asked to consider the comments contained within Section 2 of this report and to reconsider the previous decision.

<i>Officer contact:</i>		<i>Member contact:</i>	
Name:	Dawn Cave	Name:	Councillor Peter Reeve
Post:	Acting Scrutiny Officer	Portfolio:	Resources and Performance Overview and Scrutiny Chairman
Email:	Dawn.Cave@cambridgeshire.gov.uk	Email:	Peter.Reeve@cambridgeshire.gov.uk
Tel:	01223 699178	Tel:	01223 699114

1. BACKGROUND

- 1.1 The meeting of the Cabinet held on 28th January 2014 considered a report regarding “Provision of Housing primarily for rent on the County Council’s portfolio”. Cabinet agreed:
1. To declare surplus both the parcels of land for circa 350 homes at Newmarket Road, Burwell and 230 homes at Worts Causeway, Cambridge
 2. To delegate authority to the Portfolio Holder for Resources and Performance in consultation with the Head of Finance to agree detailed terms with appropriate parties where needed for the taking forward of planning applications in respect of the above sites
 3. To delegate to the Portfolio Holder for Resources and Performance in consultation with the Head of Finance the agreement of detailed terms for the sale of all or part of either of the above sites or dwellings constructed on them
 4. To agree the development of a Full Business Case to be considered by Cabinet in respect of the above named sites which if attractive can be taken forward as the first large scale schemes where the County develops housing to generate long term income streams.
- 1.2 Following this meeting, the decision was called in for further consideration by three members/substitutes of the Resources and Performance Overview and Scrutiny Committee, Councillors Mason, I Manning and Taylor. Councillor Taylor is also the local member for the site at Worts Causeway.
- 1.3 Councillor Mason gave the following reasons for calling in the decision:
1. In respect of land at Worts Causeway, Cambridge, the proposal for development is premature in advance of the public examination and Inspector’s report for the Cambridge City and South Cambridgeshire Local Plans. The decision would appear to prejudice properly made public objections to development within the Cambridge Green Belt.
 2. The provision and financing of housing development is currently regarded as a primary function of District/City authorities and not normally that of County Councils. The Council does not possess the necessary “in house skills and resources” to carry out development projects of this nature and would need to buy in expensive professional services, with inherent short and long term financial risk to public finances. This would not be consistent with existing severe financial constraints within the public sector.
 3. The proposal for the County Council to act as a developer and house builder in the “speculative” private market sector would represent a major departure from existing policy, with possible diversion of scarce resources from statutory obligations. As such, it may require due and careful consideration by full Council.
- 1.4 In addition, Councillor Taylor submitted the following comments:
- I believe it is an unwise use of public resources to commit staff time and public funds to drawing up a business case for building housing on land that is within the Green Belt. We shall not know whether it is available for building until the Inspector has reported on the Local Plan proposals.

In any event, it is unlikely planning permission could be granted in the next two years, therefore it would be highly speculative for the Council to budget on receiving any revenue.

- 1.5 The Committee met on 7th February 2014 to consider the call in. Councillors Mason and Taylor presented the call-in. Councillor Count provided responses as the Cabinet Portfolio Holder, with support from Officers.
- 1.6 Under the Council's Constitution, Overview and Scrutiny Committees have four options when they are asked to scrutinise a called-in decision. They may:
- (i) Decide that having considered the decision and the reasons for it, that no further action is warranted, in which case the decision may proceed;
 - (ii) Decide not to object to the implementation of the decision, but may comment upon it. The Cabinet may take account of these observations when implementing the decision, but is under no obligation to do so;
 - (iii) Have unresolved concerns about the decision and may refer it back to the Cabinet for reconsideration, setting out the nature of its concerns. (Note: Cabinet can either reconfirm their original decision, or agree an amended decision, the final adopted decision remains with Cabinet);
 - (iv) Refer the matter to full Council if it considers that the decision is not in accordance with the agreed budget or policy framework. (Note: in this case, the advice from the officers present was that Cabinet was operating within the budget and policy framework set for it by Council, and that therefore this option did not apply.)
- 1.7 At the end of the discussion, a majority of the Committee voted in favour of (iii), referring the decision of 28th January 2014 back to Cabinet for reconsideration, because of unresolved concerns. The results of the vote were as follows:
- 6 Members in favour
 - 4 Members against
 - 1 Member abstained.
- 1.8 The Committee considered the decision at length and a full record of the discussion is available in the published minutes of the meeting. The remainder of the report focuses on the specific reasons for the referral of the decision back to Cabinet.

2. REASONS FOR REFERRAL

- 2.1 The Committee received an explanation from the Cabinet Member and officers addressing a number of their unresolved concerns. Committee Members were keen to point out that there was no criticism of the way Cabinet had handled the process, and that they were satisfied that with the part of the Cabinet decision that dealt with the Burwell site, and had no issues on that point: the issues raised related solely to the Worts Causeway site.
- 2.2 The Committee felt that it was premature to declare the Worts Causeway plot of land surplus and to prepare a full business case for housing development with a view to submitting a planning application, whilst Cambridge City Council's Local Plan process was still incomplete and the Green Belt designation of the site remained in place.

- 2.3 The Committee also felt that it was important that if development on the Worts Causeway site went ahead and the County Council was the developer, the percentage of social housing should be maximised.

Source Documents	Location
Report and minutes of the Cabinet 28 th January 2014	Room 114 Shire Hall Cambridge