

Key Decision Required:	No	In the Forward Plan:	No
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CABINET

18 DECEMBER 2020

REFERENCE FROM COUNCIL

A.1 DEVELOPMENT SITES FOR COUNCIL HOUSING

(Report prepared by Damian Williams, Andy White and Ian Ford)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To report to Cabinet a motion submitted at the meeting of the Council held on 24 November 2020.

EXECUTIVE SUMMARY

This report sets out a motion submitted by Councillor Placey to the meeting of the Council held on 24 November 2020 relating to development sites for Council Housing and which was referred to the Cabinet by the Chairman of the Council for further consideration, in accordance with the provisions of Council Procedure Rule 12.4.

RECOMMENDATION

That, following the explanation of the motion, the Cabinet decides whether to recommend, or not, that the Council should support the motion in its original format.

If the Cabinet decides to advise the Council that in its opinion the motion should not be supported in its original format it may, in addition, suggest to Council that an amended motion be proposed.

PART 2 – SUPPORTING INFORMATION

BACKGROUND

At a meeting of the Council held on 24 November 2020, the following motion was moved by Councillor Placey and seconded by Councillor Allen and, in accordance with Council Procedure Rule 12.4, stood referred to the Cabinet for further consideration:

- “(a) That this Council acknowledges that its recently adopted Housing Strategy now gives a different context to the Portfolio Holder decisions in January 2019 to dispose of three pieces of Council owned land at Crome Road, Clacton-on-Sea; Dover Road, Brightlingsea; and Hilton Close, Manningtree and to seek planning permission for housing developments on those sites in order to maximise the income from such disposals; and*

(b) That this Council now considers those sites to be suitable for building council houses especially as two of them already have planning permission.”

CURRENT POSITION

In accordance with Council Procedure Rule 12.6 Councillor Placey has been invited to attend the meeting to answer any questions and/or points of clarification, if requested.

FURTHER INFORMATION BY WAY OF BACKGROUND AND CONTEXT

LEGAL

The Council motion refers to three sites. None of these sites has yet been disposed of and no formal decision has been made in relation to any disposal. All of the sites are owned within the Council's General Fund and are currently used as small pieces of open space.

In coming to decisions in relation to the management of assets, the Council must act in accordance with its statutory duties and responsibilities. Under case law following Section 120 of Local Government Act 1972, the Council is obliged to ensure that the management of its assets are for the benefit of the district.

Section 123(1) Local Government Act 1972 indicates that, a local authority may dispose of land held by it in any way it wishes so long as (section 123 (2)) the land is disposed for a consideration not less than the best that can reasonably be obtained.

The General Disposal Consent Order (England) 2003 gives consent for disposal at below best consideration reasonably obtainable provided that the undervalue is less than £2m and the proposal enhances the environmental economic and social wellbeing of the area.

Section 123(2A) Local Government Act 1972 indicates that, a local authority may not dispose of land held by it without advertising its intention to do so in the local press.

Similarly, where land may be owned within the Housing Revenue account, Section 32 of the Housing Act 1985 together with the General Housing Consent 2013 gives the Council discretionary power to dispose of land held under Part II of the Housing Act 1985 that has not been developed.

Decisions regarding the disposal of property are identified as executive functions and the matter is accordingly referred to Cabinet for consideration.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

Disposal of land within either general fund or HRA generates capital receipts that can support the capital programmes and priorities in each of the areas. Receipts in HRA remain in HRA and vice versa unless transfer is approved by due process.

Transfer of property between HRA and GF is possible by way of a formal appropriation of the land for the alternative purpose and would be matched by a balancing accounting adjustment.

Overall the Council has ambition to invest in both HRA and GF that exceeds available funds.

Risk

Both development and disposal have risks attached. Officers will seek to manage risks in whichever course of action is determined upon.

OTHER IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder

Council housing and other priorities are generally intended to have suppressing effects on crime and disorder.

Equality and Diversity

Council housing and other priorities are generally intended to have positive effects on equality and diversity

Health Inequalities

Council housing and other priorities are generally intended to have equalising effects on health inequalities

Consultation and Public Engagement

Consultation within planning applications has taken place with regard to two of the sites. The third site will be similarly treated. In all cases further consultation pursuant to LGA72 s123 prior to any decision on development or disposal.

Carbon Neutrality.

The areas are probably broadly carbon neutral at present with any carbon absorption by vegetation mitigated by maintenance equipment emissions. In cases of Council development properties will meet all current standards and an approach to Carbon neutrality is evolving in line with the Council's climate declaration.

Area or Ward Affected

Cann Hall; Brightlingsea; and Manningtree, Mistley, Lt Bentley and Tendring. Potential effect on other sites in other wards.

Service Matters

Planning Applications/Permissions

Outline planning permission has been granted for residential development at Crome Road and Dover Road. An application is in preparation for development at Hilton Close. In each case indicative work indicates potential for one dwelling, possibly two at Crome Road, at each of the sites.

Strategies

The Housing Strategy identifies the potential to construct additional housing within the HRA as part of the response to the target for 200 additional homes.

The Property Strategy identifies the desire to dispose of smaller and ineffective sites and to invest in play areas and larger open spaces. It also promotes identification, acquisition and development of sites for Council Housing.

The three sites mentioned were identified as part of a review of general fund sites carried out pursuant to the Property Strategy objectives. Additionally Property and Housing Team officers are working together on a series of sites in the HRA to bring forward.

It is a corporate priority to construct Council Housing. Capacity is being built to follow the completion of starter homes at Jaywick Sands with further construction projects. It is likely that as the capacity of the team builds it will be necessary to take a balanced view on sites to develop and sites to dispose of. Such a balanced approach would also allow attention to both housing and other capital programme projects and the funding of them.

It is proposed that each site should be considered on its own merits in terms of options for disposal or development. Very generally the various factors tend towards the retention of larger sites, sites in HRA and locations linked to existing housing sites similarly practicalities and the need to address other priorities and funding tends towards the disposal of smaller and isolated sites.

Accordingly it is suggested that officers should consider all options for each site identified and outline the factors and reasoning behind recommendations when each of the sites is brought forward for decision on whether to dispose or develop.

BACKGROUND PAPERS FOR THE DECISION

- Housing Strategy
- Property Strategy

APPENDICES

None.