

	URGENT REPORT TO CABINET ON 20 OCTOBER 2015	
This report contains exempt or confidential information which is contained in Appendix 1 which is excluded from this publication.	Key Decision	YES
	Forward Plan Ref No	
Corporate Priority Aim 3 – Creating Healthy and Vibrant Communities	Cabinet Portfolio Holder	Cllr Mike Cockerill

REPORT OF THE DIRECTORS (LD and NE) – 15/296

WARDS AFFECTED: NEWBY

SUBJECT: LAND AT DANES DYKE, NEWBY

RECOMMENDATION (S):

Cabinet is asked to consider and note the request of Resources Scrutiny Committee of 19 September 2015 that Cabinet reconsider its decision of 14 July 2015 (Report 15/193) in relation to the sale of 0.52 acres of public open space at Danes Dyke, Newby, Scarborough (the Land) for the reasons cited by the Committee and noting in particular:

- (a) the allocation of the Land for a women's refuge is required for the Borough as identified in the Housing Strategy 2013-16; and
- (b) the increase in the Home Group's financial offer for the Land;

and to consider whether to either:

- i. sell the Land to Home Group for the consideration set out in the appendix to this report for the development of a Supported Housing Scheme for victims of domestic violence in accordance with the Council's Housing Strategy; or
- ii. reiterate Cabinet's decision of 14 July 2015 and proceed to market and subsequently tender the Land for its highest and best value subject to planning permission.

REASON FOR RECOMMENDATION

- i. To comply with the recommendation of the Resources Scrutiny Committee of 19 September 2015;
- ii. to seek clarity on the future use of this land; and
- iii. to give members an opportunity to consider the revised offer from Home Group

HIGHLIGHTED RISKS:

Option 1

- The Council might achieve a higher capital receipt for the Land if it proceeded to market the Land on the open market

Option 2

- No women's refuge would be realised.
- The capital receipt the Council could achieve will be dependent on the tenders received at the time after an adequate marketing period.
- Any other development options would be subject to a further planning application.

1. INTRODUCTION

- 1.1 The background to this matter has been presented to Cabinet in previous reports.
- 1.2 On 14 July 2015, Cabinet made a decision to place the Land on the open market and invite tenders for its purchase subject to planning permission.
- 1.3 Cabinet's decision was subsequently called in by several Members. The call-in was heard by the Council's Resources Scrutiny Committee on 19 September. At that meeting, Members were informed that, following on from the Cabinet meeting of 14 July, Home Group had revised their offer for the Land. A copy of the letter from Home Group formally documenting the revised offer is attached at the Appendix to this report.
- 1.4 After debating the matter in detail, the Resources Scrutiny Committee passed a resolution that:

"the Resources Scrutiny Committee recommends that the decision taken by Cabinet on 14 July 2015 in respect of land at Danes Dyke, Newby, be reconsidered by Cabinet for the reasons cited by the Committee, and noting in particular that:

- (a) the allocation of the land for a women's refuge is required for the Borough as identified in the housing strategy 2013-16; and
- (b) the increase in the Home Group's financial offer for the land."

- 1.5 Cabinet is now requested to reconsider the decision as set out in the resolution and also consider whether, in light of the revised offer from the Home Group, Cabinet would like to proceed with a disposal direct to the Home Group.
- 1.6 Cabinet is required to make an urgent decision in relation to Home Group's revised offer as Home Group will lose funding secured to support its proposed development as a women's refuge if they are unable to meet Homes and Communities Agency grant funding deadlines. Under the terms of this grant payment the scheme is required to complete by March 2017, which in practical terms means a start on site early 2016. Practically this means an urgent decision is required by the Council or there will be insufficient time for Home Group to mobilise resources to fit in with this timescale.

2. CORPORATE AIMS/PRIORITIES AND THE COMMUNITY PLAN

- 2.1 Contributes to Aim 3 of the Council's Corporate Plan, 'Creating Healthy and Vibrant Communities'.
- 2.2 Any capital receipt received would help support all of the Council's Corporate Priorities.

3. BACKGROUND AND ISSUES

- 3.1 As noted above the background and issues in relation to this matter have been placed before Members in previous reports.
- 3.2 However, as an update from the last report submitted to Members, Home Group have now submitted a revised offer from the Land which reflects the valuation which officers believe could be reasonably obtainable on the open market. Details of the offer are set out in the confidential annex to this report.

4. CONSULTATION

- 4.1 Details of the consultation which has been carried out in relation to this matter including Home Group's application for planning permission for the Land are included in previous reports to Members referred to as background papers to this report.
- 4.2 In addition, the Chairman of the Resources Scrutiny Committee has been consulted and has agreed that the decision on this matter can be taken as an urgent decision.

5.0 ASSESSMENT

- 5.1 Home Group are the Council's chosen provider for this type of facility as previously approved. The valuation of the land has been complicated due to uncertainties around Central Government's Affordable Housing policy; this policy changed in November 2014 but more recently reverted back to as it was pre-November 2014.
- 5.2 Home Group have now made a written offer (Appendix 1) that matches the Council's independent valuation as of January 2014 which reflects the correct affordable housing policy. Cabinet now need to make the decision as to whether this offer should be accepted or the site re-tendered to see if a higher price can be achieved.

6.0 IMPLICATIONS

Policy

- 6.1 There are no policy implications with this report.

Financial

- 6.2 In accordance with the Council's Constitution an independent valuation has been obtained for the site.

Legal

- 6.3 Either option will be documented by the Council's Legal Department.

Planning

- 6.4 The decision to grant planning permission, subject to conditions, for a women's refuge in accordance with report ref: 14/02380/RG4 has been made but any other use would need to obtain a separate planning approval.

Equalities and Diversity

- 6.5 This has been considered and is not applicable.



Lisa Dixon
Director



Nick Edwards
Director

Author: Lisa Dixon, Director
Telephone No: 01723 232323
E-mail address: lisa.dxon@scarborough.gov.uk

Background Papers:

Report No. 09/737 to Cabinet on 15 December 2009

Report No. 12/301 to Cabinet on 19 June 2012

Report No. 14/58 to Cabinet on 11 February 2014

Report No. 15/86 to Planning & Development Committee on 12 March 2015

Report No. 15/193 to Cabinet on 14 July 2015

IF YOU HAVE ANY QUERIES ABOUT THIS REPORT OR WISH TO INSPECT ANY OF THE BACKGROUND PAPERS, PLEASE CONTACT BRYAN WALKER ON 01723 3232323 OR E-MAIL bryan.walker@scarborough.gov.uk

Risk Matrix

Risk Ref	Date	Risk	Consequences	Mitigation	Current Risk Score	Target Score	Service Unit Manager/ Responsible Officer	Action Plan
1	15 October	Cabinet choose option 1.	The Council will receive a capital receipt of £150,000	Choose option 2	C3	B2	Estates Manager	For Cabinet decision.
2	15 October	Cabinet choose option 2.	The market would decide, by way of a tender, what capital receipt is achieved. It's likely a women's refuge would not be built on the site.	Choose option 1	C3	B2	Estates Manager	For Cabinet decision.