

**South Cambridgeshire District Council  
Record of Executive Decision**

This form should be used to record key and other decisions made by individual Lead Cabinet members. The contact officer will ensure that the signed and completed form is given to Democratic Services as soon as reasonably practicable after the decision has been taken.

A key decision shall not be taken unless notice of the item has been published at least 28 days before the decision is to be taken except where:

- a General Exception notice has been published under Rule 15 of the Access to Information Procedure Rules and the Chairman of Scrutiny and Overview Committee has been informed in writing; or
- a Special Urgency notice has been published under Rule 16 of those Rules and the Chairman of Scrutiny and Overview Committee has agreed the decision is urgent.

Unless permission has been obtained from the Chairman of Council and the Chairman of the Scrutiny and Overview Committee that this decision may be treated as a matter of urgency under Rule 12.19 of the Scrutiny and Overview Committee Procedure Rules, this decision will come into force, and may then be implemented, on the expiry of five working days after the publication of the decision, unless called in under Rule 7 of the Budget and Policy Framework Procedure Rules or Rule 12 of the Scrutiny and Overview Committee Procedure Rules. Where consent has been obtained to exempt the decision from call-in, this will be specified below.

<b>Lead Cabinet Member</b>	Lead Cabinet member for Housing
<b>Subject Matter</b>	Provision of 9 no. Affordable Dwellings off Orchard Gardens, Melbourn
<b>Ward(s) Affected</b>	Melbourn
<b>Date Taken</b>	Tuesday, 15 December 2020
<b>Contact Officer</b>	Rob Dean (Rob.Dean@scamb.gov.uk)
<b>Date Published</b>	Tuesday, 15 December 2020
<b>Call-In Expiry/Exempt from call-in</b>	Tuesday, 22 December 2020
<b>Key Decision?</b>	No
<b>In Forward Plan?</b>	No
<b>Urgent?</b>	No

<b>Purpose / Background</b>
<p>The purpose of this Decision Notice is to give approval for South Cambridgeshire District Council (SCDC) to enter into Heads of Terms followed thereafter into a Development Agreement to purchase 9 affordable homes representing the S106 40% affordable housing contribution on a site now known as Orchard Gardens ( formerly known as The Moor).</p> <p>The site has been brought forward by Stonebond properties Ltd who have been established c. 40 years and who are funded by the Cherry family who founded Countryside Properties.</p> <p>In its entirety the site totals 23 new homes - with the policy compliant 40% affordable housing of 6 new rented homes and 3 new shared ownership homes. These are made up of a mixture of 1 bed apartments and 1, 2 and 3 bed houses.</p> <p>It is the intention that the shared ownership properties are to be sold with a maximum ownership of 50% initially with the option to staircase up to 100% as per the section 106.</p> <p>Stonebond have commenced works on site.</p>

All reserved planning matters have been resolved.

It should be noted that the payback is in year 30

Enabling/Strategic support

Strategic Housing fully support this mix, as it will provide much needed homes in Melbourn where SCDC has existing stock .

The overall affordable housing mix has previously been agreed by Housing Strategy as meeting the housing needs in Melbourn and its environs.

**Scheme Details:**

Planning Reference number :

The site has planning (ref: S/1032/17/FL) with all conditions now discharged.

The S106 is signed and completed.

Mix:

Description of	No of	Type of	Stock	No of
Units to be delivered:	Units:	Tenure:	Category:	Beds:
1 bed apartment	2	Rent	Apartment	1
1 bed house	1	Rent	House	1
2 bed house	3	Rent	House	2
3 bed house	3	Shared Ownership	House	3

Contract type:

The developer has requested that the contract be a Development Agreement type

Legal Advice : Freeths ( Previously provided at Grace Crescent , Hardwick)

“We believe that either ownership or an option constitute such “exclusive rights”. It needs to be said, however, that cases do turn on their facts. We would also have to state that the Council should be able to demonstrate that in the case where it was letting a contract including development, that there is no reasonable alternative or substitute – ie there are not other similar convenient sites which could reasonably be regarded as being available for development, eg in terms of being for sale, zoning, access to services etc.

There are no other suitably sized permissioned sites in Melbourn that are available for consideration at this time.

**Financial**

Use of Right to Buy Receipt:

This scheme consists of 6 rented homes which allows the use of Right to Buy receipts totalling **£359,015**

Use of Commuted Sum:

This scheme consists of 3 shared ownership homes which allows the use of commuted sum totalling **£150,000**

The scheme is considered to be value for money for the council. The offer and price per sq. m is commensurate with sums paid for recent council new build development schemes. In addition a robust financial appraisal has been carried out and a commercially sensitive financial appendix is attached. The scheme has a Payback year within the business plan parameters.

**Declaration(s) of Interest**

**Record below any relevant interest declared by any executive Member consulted or by an officer present in relation to the decision.**

None

**Dispensation(s)**

**In respect of any conflict(s) of interest declared above, record below any dispensation(s) granted by the Council's Standards Committee.**

None

**Consultation**

**Record below all parties consulted in relation to the decision.**

Stonebond Properties have consulted as required & demonstrated by the successful planning process.

**Other Options Considered and Reasons for Rejection**

**Option 1:** Option 1: The Council decides not to enter into contract with Stonebond Properties for the purchase of the 9 affordable homes on this site.

Reason for Rejection:

- To reject the scheme would require a substitute scheme of similar size and cost to be found in the district to provide new affordable homes. This would be by no means certain and is unlikely to be achieved in the timescales. It would be resource intensive and is unlikely to be possible, with the return of unspent right to buy receipt back to the Treasury with interest if no suitable scheme could be sourced.

<b>Final decision</b>	<b>Reason(s)</b>
<ul style="list-style-type: none"><li>• To approve South Cambridgeshire District Council to enter into Heads of Terms followed thereafter by a JCT contract for the build of the 9 affordable homes and a land contract and transfer to purchase the site for the 9 affordable homes at Orchard Gardens , Melbourn.</li><li>• To approve the sale of and grant of shared ownership leases up to a max 50% for the shared ownership properties with the option to staircase to 100%.</li></ul>	<ul style="list-style-type: none"><li>• This scheme will provide 9 affordable homes - and affordability is a huge issue for the District in terms of housing.</li><li>• These homes will also add additional affordable homes to the Councils housing stock and will be managed by the in house SCDC Leasehold team.</li><li>• The provision of affordable homes is likely to reduce significantly due to recent policy changes for housing providers and the lack of HCA funding available.</li><li>• Changes to housing benefit and welfare reform will also mean that the demand for affordable homes will only increase in this area.</li></ul>

<b>Signed</b>	<b>Name (CAPITALS)</b>	<b>Signature</b>	<b>Date</b>
Lead Cabinet Member	Signed copy available upon request from Democratic Services (democratic.services@scambs.gov.uk)		
Chief Officer			

<b>Further Information</b>