

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Leader and Cabinet
AUTHOR/S: Head of Housing Strategic Services

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APPRAISAL OF COUNCIL OWNED LAND AND PROPERTY

Purpose

1. To consider options for an appraisal of Council owned land and property held for housing and other purposes to:
 - (a) identify options and opportunities to provide additional affordable housing and,
 - (b) maximise capital receipts to help deliver the housing capital programme and,
 - (c) support other corporate objectives/priorities where practicable eg identification of suitable land for Traveller's sites.

Effect on Corporate Objectives

2.	Quality, Accessible Services	To increase the supply of affordable housing and/or financial resources available for housing purposes through identifying Council owned land suitable for development purposes. To maximise available resources to meet other objectives and priorities within the Community Strategy. The provision of additional homes to meet local housing needs, including those of Travellers, will help sustain local communities.
	Village Life	
	Sustainability	
	Partnership	The delivery of the project and its outcomes is dependent on working with our partner Registered Social Landlords (RSLs).

Background

3. A Best Value review of Affordable Housing carried out in 2003 included in its recommendations that the Council seek to maximise the use of Council land and property assets. The review team were keen to ensure that the Council had fully explored the use of its own sites such as back-land, garage sites, the redevelopment of existing housing sites and hard to let or non-traditional stock etc as well as potential for individual plots for sale or affordable housing to be identified. It was agreed that a bid should be put forward to finance a comprehensive survey to identify any such sites. This would cost relatively little in relation to the possible benefits.
4. A one-off bid of £24,000 in 2005/6 to make a temporary appointment to enable a survey of all potential Council land where affordable housing could be provided to be undertaken was subsequently approved by the Council.
5. However, due to the capping of the Council Tax in 2005/06 this expenditure was offered up towards the savings requirement for the Housing Portfolio and there is therefore no budget to undertake this project.
6. Further, the loss of 2 posts within the Housing Strategic Services team, also due to capping, has reduced capacity to meet existing and new commitments that will result from the planned major new developments such as Northstowe. Therefore, it is even more unlikely that a structured review of the Council's housing assets can be carried out within existing resources. Whilst opportunities will continue to be identified on an

ad hoc basis as they have been in the past this approach will not maximise Council assets in the same way and within the same timescales as a full appraisal.

Considerations

7. As a result of the loss of the allocated funding in 2005/06 for the land appraisal Officers have been working with its Registered Social Landlord (RSL) partners to identify alternative funding and or means of facilitating this project.
8. A proposal by Granta Housing Society to carry out the land appraisal through an Architectural Practice they are working with on a free of charge basis had been considered in August 2005 but unfortunately acceptance of this offer would not have enabled the Council to comply with its own Standing Orders. This is because the value of the work requires that at least 3 written quotations are sought.
9. Therefore all RSLs active in the South Cambridgeshire area have more recently been invited to express an interest in supporting this work eg through a financial contribution to the cost of the Council employing a temporary member of staff to carry out the work.
10. The response has been very positive and there are 11 RSLs interested in exploring ways in which they could contribute to this project. There are a number of areas on which agreement will need to be sought with the potential partners such as how sites identified for affordable housing purposes will be shared amongst partners but it is hoped that this could be negotiated and any formal partnership and/or contractual arrangements put in place by March 2006.
11. By engaging the financial support of our RSL partners it should be feasible to commence the land appraisal work in April or May 2006 with an anticipated completion of January 2007. Therefore the draft milestones in respect of the corporate priorities for 2006/07 include reference to this project.

Options

12. The following represent the options available to the Council:
 - a) To continue to identify opportunities to maximise the Council's existing housing resources on an ad hoc basis as in the past or,
 - b) To carry out a full land appraisal as recommended by the Best Value Review team with financial support from partner RSLs
13. The advantage of option b) is that it will help provide a more comprehensive overview and analysis of existing housing resources within a short and defined timescale. Once opportunities have been identified to meet relevant corporate objectives including:
 - (a) to provide additional affordable housing and
 - (b) dispose of land on the open market to help provide financial support for the overall housing capital programme these can then be maximised much earlier and proposals planned and delivered in a more managed environment and
 - (c) identify any suitable land that can be used to provide Traveller's sites.
14. Further, given that there will be no financial implications of carrying out the land appraisal with external funding this is the preferred option.
15. The major disadvantage of option a) is that it will take an unknown period of time to identify all possible development/sale opportunities since this can only be done as part of the other work carried out within the Housing Strategic Services team. Given

other pressures around delivering the major new developments such as Northstowe it is not possible for this area of work to be given any degree of priority particularly given the reduced capacity within the team due to capping. Further it would prove more difficult to provide the evidence needed on the availability or otherwise of suitable land holdings that could be used for Traveller's sites that could inform the LDF and the Council's Housing and related strategies. Lastly, the Regional Housing Board have indicated that funding for Travellers sites will in principle be available in the period 2006/8 with no guarantees after that period. In order to potentially benefit from that funding any suitable sites need to be identified as soon as possible.

Financial Implications

16. None, in the event that our RSL partners are willing to contribute to the costs of carrying out the land appraisal, which are estimated to be in the region of £24,000.

Legal Implications

17. In considering expressions of interest from RSL partners to support the land appraisal project regard will need to be made to the Council's Standing Orders in order to ensure any agreed proposal will be in full compliance.
18. By seeking expressions of interest from the RSLs who are active in the South Cambridgeshire District and have preferred partner status with the Council and/or the Housing Corporation either in their own right or through Group Structures/formal partnerships should be sufficient for this purpose.
19. A contract and/or partnership agreement may be required to formalise any arrangement with regard to financial contributions to be made and benefits to be received by our RSL partners. A preliminary meeting to discuss these issues has already been arranged and it is anticipated that agreement can be reached by 31 March 2006. It should be stressed that the Council will determine for what purpose sites identified will be used for based on individual options appraisal's.
20. Each options appraisal will take into account contributions that can be made to meeting all relevant corporate objectives and priorities including those in relation to meeting the housing needs of Travellers as well as those of the settled population in South Cambridgeshire.
21. The contributing RSLs will only be allocated sites that are considered to be best utilised for affordable housing schemes. If any land considered to be suitable for a Traveller's site were highlighted through the land appraisal project then specialist RSLs would be invited to work with the Council in developing a proposal unless current partner RSLs expressed an interest and could demonstrate the necessary expertise and experience in managing Travellers sites.

Staffing Implications

22. The engagement of a temporary member of staff to undertake the land appraisal work will help support the work of the staff within the Housing Strategic Services team in their efforts to deliver the Council's affordable housing targets.

Risk Management Implications

23. In the absence of a formal land appraisal the Council will not be able to evidence that it is maximising its existing resources to support its corporate objectives and priorities. This could impact on future CPA ratings.

24. The lack of evidence that the Council is seeking/has sought to maximise its resources could adversely impact on other areas of the Council's work eg meeting the housing needs of Traveller's.

Consultations

25. All current preferred RSL partners have been consulted on this proposal and have been invited to submit expressions of interest. Of 12 RSLs invited to express an interest 11 have responded positively in terms of their willingness, in principle, to consider a financial contribution, subject to further discussion.

Conclusions/Summary

26. A Best Value review of Affordable Housing carried out in 2003 included in its recommendations that the Council seek to maximise the use of Council land and property assets.
27. A one-off bid of £24,000 in 2005/6 to make a temporary appointment to enable a survey of all potential Council land where affordable housing could be provided to be undertaken was supported but was subsequently held up as a saving as a result of capping.
28. Whilst opportunities could continue to be identified on an ad hoc basis as they have been in the past this approach will not maximise Council assets in the same way and within the same timescales as a full appraisal. The lack of robust evidence to support the Council's approach to maximising existing resources/assets could have a negative impact in terms of future CPA ratings and also work ongoing in relation to identification of sites to meet the needs of Travellers.
29. Since July 2005 Officers have been working with its Registered Social Landlord (RSL) partners to identify alternative funding and or means of facilitating this project.
30. The response has been very positive and there are at least 11 RSLs interested in exploring ways in which they could contribute to this project financially and/or otherwise. There are a number of areas on which agreement will need to be sought with the potential partners such as how sites identified for affordable housing purposes will be shared amongst partners but it is hoped that this could be negotiated and any formal partnership and/or contractual arrangements put in place by March 2006.
31. By engaging the financial support of our RSL partners it should be feasible to commence the land appraisal work in April or May 2006 with an anticipated completion of January 2007.

Recommendation

32. Cabinet is recommended to support the use of external funding from RSL partners to facilitate the appraisal of land and property held for housing purposes subject to any legal/partnership agreements required.

Background Papers: the following background papers were used in the preparation of this report: None.

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