Call in 3 Post Hill

On 3rd December Cabinet resolved that:

1) Authority be given to submit a planning application, subject to final design and based on Option 4- 70 Affordable Homes

2) In the event that Cabinet proceeds in future to establish a new company structure, which:-
   (i)   is "Teckal" compliant; and
   (ii)   appropriate for the delivery of social/affordable housing
   the Cabinet agrees that delivery of the housing will be through that new company, subject to advice received when establishing the new company and any other material factors.

Reasons for Call in:-

Lack of consideration of alternative options;

1. *The building of more Social Rented Homes is a key priority of the Corporate Plan recently agreed by Full Council. The development of the Post Hill site presents an important opportunity to build a significant number both of Affordable Rented and of Social Rented Homes in Tiverton and thereby address the local gap in affordability that impacts most on families with a low income .*
2. *The options presented to and considered by Cabinet included three options:-*
   a. *Option 2-For 50 Social and 20 Affordable Homes*
   b. *Option 3- For 50 Social, 15 Affordable Homes and 5 Self Build Homes*
   c. *Option 4- 70 Affordable Homes*
3. *The report to cabinet recommended Option 4 on the basis of budgetary considerations. External and expert financial assessments were appended to the report to explain these issues.*
4. *Cabinet were asked only to consider options that were posed at opposite ends of a continuum of possible mixes of tenure. It should also have considered other options that may well have presented very different assessment and comparisons of affordability.*
5. *There were other options that were not presented that would have allowed Cabinet to consider and compare the financial implications of different mixes or proportions of Affordable rented and Social rented housing.*
6. *Such options might have included, say, a 35/35 split between affordable rented and social rented homes and also a 20/50 split. Either option would still yield a significant addition on the Council's stock of Social Rented Housing.*
7. *Finally the report to Cabinet presented only a single set of proposals on the numbers of housing units of a particular size. This proposal did not relate to the analysis of need for particular size of dwelling as presented in the report. No other options were considered even though different options would have a significant impact on costs and forecast returns.*
8. ***We are, therefore asking that Cabinet consider other options for the mix of Social Rented and Affordable Rented Homes and also for the mix of the size of units. This will allow Cabinet to carry out more reasonable analysis and comparisons of both cost and returns.***

Pre-determination of a future decision of Full Council
1) *A decision to set up a TECKAL compliant company to deliver some or all of the Council's Housing services is a major step that has yet to be made and that will require a decision of Full Council. This decision will need to be supported by a full*

business case setting out elements of the Councils services that are to be managed and delivered by the SPV and include an assessment of the risks and opportunities involved.

2) *The range of services that might be transferred to the proposed TECKAL company might include the full range of the Councils Housing services. On the other hand it might be limited to include only the remit to develop new affordable and social rented housing.*

3) *The Cabinet decision that the delivery of 70 units of affordable rented housing will be through any new TECKAL company clearly pre-empts a future decision of Full Council on the scope of the MDDC services and activities to be transferred to such a Company.*

4) ***This decision is unnecessary and unconstitutional . Cabinet could have decided instead to recommend that the delivery of the Post Hill homes be though a future TECKAL company.***

Called in by:-
Cllr Graeme Barnell
Cllr Ben Holdman
Cllr Sion Clist
Cllr Alex White