

Audit Commission Review of Issues Raised By Complainants Relating to Osbaldwick/Derwenthorpe Development Proposals

Summary

1. This report informs members of the findings of the Audit Commission following their review of aspects of the Osbaldwick/Derwenthorpe development. This review was carried out following issues raised with the Audit Commission by John Greenway MP and two residents.

Background

- 2.1 The Council entered into an arrangement with the Joseph Rowntree Foundation in the late 1990's to develop a part of Osbaldwick, later renamed as Derwenthorpe, as a model village. There have been a wide range of issues raised relating to this development and there is currently a planning enquiry in process. This report on the agenda sets out the issues raised by the complainants as defined by the Audit Commission, their conclusions, their recommendations and any resulting actions agreed with the City of York Council.
- 2.2 The issues raised relate to:
 - a) The nature of the partnership between the Joseph Rowntree Foundation (JRF) and the City of York Council.
 - b) The selection of JRF as a partner.
 - c) The lawfulness of that selection process.
 - d) The achievement of 'Best Consideration' for the land.
 - e) The value of the legal charge payable to J.R.F under various circumstances.
 - f) The profit share agreement.
 - g) Consultation and the feeding of community views into the design process.
 - h) The model village approach.

Consultation

- 3.1 This report has not been subject to any consultation other than with the Audit Commission and with the Director of City Strategy.

Options

4. The Audit and Governance Committee is asked to consider each of the actions that are set out in the Annex and decide whether the Council agrees to them. On the whole the actions recommended are relatively limited and relate to issues of process and documentation. The main issue relates to the selection of partner organisations in the future.

Analysis

5. There is no analysis available of the advantages and disadvantages of each course of action in Annex 1. However a failure to agree an action plan with the Audit Commission would be very likely lead to further action by them.

Corporate Priorities

6. This report is a compliance report in line with the Council's commitment to proper Governance. The Derwenthorpe project itself does of course have the potential to make a wider contribution to the Council's objectives on Housing, Crime, Sustainability and Open Spaces.

Implications

7. There are no financial, HR, Equalities, Legal, Crime and Disorder, Information Technology, Property or other implications directly associated with this report.

Risk Management

8. CYC will need to ensure that it implements the actions identified in Annex 1, which have been provisionally agreed with the Audit Commission. If it did not then the Council may expose itself to unnecessary risks in future projects and to further Audit Commission action. The Annex is slightly out of date as it was provisionally agreed in early 2006, but has awaited the establishment of the Audit and Governance Committee in order to be brought before members.

Recommendations

- 9.1 Members are asked to approve the actions listed in Annex 1.

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Report Approved *tick* **Date** 15.th June 2006

Report Approved *tick* **Date** *Insert Date*

Wards Affected: Osbaldwick

All *tick*

For further information please contact the author of the report

Background Papers:

None

Annexes

Audit Commission report on Osbaldwick issues - attached