

Meeting	Customer and Corporate Services Scrutiny Management Committee (Calling In)
Date	21 August 2018
Present	Councillors Williams (Chair), N Barnes, Brooks, D'Agorne, Fenton, Gates, Looker, Reid and Rawlings (as a substitute for Cllr Galvin)
Apologies	Councillor Galvin

1. Declarations of Interest

Members were asked to declare any personal interests, not included on the Register of Interests, any prejudicial interests or any disclosable pecuniary interests which they had in respect of business on the agenda. None were declared.

2. Public Participation

It was reported that there had not been any registrations to speak under the Council's Public Participation Scheme.

3. Called-in Item Post Decision: Housing Delivery Programme

Members considered a report which set out the reasons for the call-in and the role of the committee, together with the options available to it under the agreed post-decision call in arrangements. In accordance with those arrangements, Cllrs Wells, K Taylor and Pavlovic had called in the item for the following reasons:

- overall, the decision to abandon the housing development company proposal approved by Executive in December 2017 represents a shift away from a significant long term plan to address York's housing crisis to an unambitious short term plan that looks no further than the next council administration;
- the Executive report provides no detailed explanation for why the December 2017 decision to establish a housing development company (devco) has been scrapped;

- combined with Local Plan provision for ‘affordable’ homes the administration’s plans come nowhere near meeting the city’s assessed need of 573 genuinely affordable new homes annually, pushing housing costs even higher and exacerbating York’s housing crisis;
- scrapping the devco proposal removes the council’s ability to operate within the private rented sector, meaning unsafe properties, particularly within the HMO sector, will continue to exist and more likely than not, increase in number.

Cllr Pavlovic spoke on behalf of the ‘calling-in’ members, stating that the short term nature of the current policy and the ‘shelving’ of the proposed development company would limit the options and opportunities available to the Council. Cllr Pavlovic also outlined his concern at what would happen when the Council owned land ran out, asking the Executive to show a longer term vision.

In response to members questions, Cllr Pavlovic clarified that he believed the prospective development company would allow the Council more control of the private renting market and that running the development company alongside the Housing Revenue Account (HRA) programme would be the most robust way forward, offering the most opportunities to build at scale and buy plots from private land owners.

The Executive Member for Housing and Safer Neighbourhoods then addressed the committee. The Executive Member clarified that;

- The HRA could in fact buy land
- The focus for this administration was to build houses and not to make money
- There were three potential delivery approaches, of which the HRA was one, and in the Executive’s opinion, the least risky.

The Executive Member also stated that the Executive’s long term vision for providing affordable housing was explained in this report.

The Executive Member responded to Member questions by explaining that the Council was taking the strategic lead with their current approach as this would allow for homes to be built

more quickly and for developments to have a higher percentage of affordable housing.

Officers then stated that the July report, and the subject of the 'call in', set out the more comprehensive recommendations that were given to the Executive following further research and due diligence that had taken place in the intervening period. The HRA provided the simplest and quickest way to deliver new homes on the seven sites owned by the Council.

In response to Members questions, Officers clarified that it was not possible to deliver all of York's required housing in the council budget and that work was being done to help improve the percentages of affordable housing being offered by private developers. In addition, officers stated that whilst a development company offered opportunities, it also presented complexities and it was not advisable to set up a company for which currently there was no purpose.

Members of the Committee then debated the issue and whilst some concern was noted regarding a lack of forward thinking and vision, it was also felt that the research into the creation of a development company was not in vain and it would be more prudent to create the company once it's purpose was clear.

Therefore it was,

Resolved: The original decision taken on this item by the Executive on 12 July be confirmed, to take effect from the date of this meeting.

Reason: The committee considers there are no grounds to make specific recommendations to the Executive in respect of the item.

Cllr D Williams, Chair

[The meeting started at 17:30 and finished at 19:00].