



**REPORT of
THE OVERVIEW AND SCRUTINY COMMITTEE WORKING GROUP**

**to
OVERVIEW AND SCRUTINY COMMITTEE
24 SEPTEMBER 2024**

**MEMBER SCRUTINY ITEM REQUEST – CORPORATE PROJECT – LAND AT
HEYBRIDGE**

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to inform the Committee of the Overview and Scrutiny Committee Working Group's (the Working Group) conclusions on this scrutiny workplan item.

2. RECOMMENDATION

- 2.1 The Committee is recommended to note the review of this Corporate Land Project scrutiny item undertaken by the Working Group with a view to influencing practice and process in relation to future corporate projects.

3. SUMMARY OF KEY ISSUES

- 3.1 At its meeting on 25 April 2024 the Committee received a report from the Working Group on this scrutiny item request submitted by Councillor A S Fluker. The request sought a review of various issues arising from the extensive history of this corporate project which was effectively closed by the Council by decision at its meeting in November 2023.
- 3.2 This project involved the potential acquisition of land by the Council with a view to providing affordable housing. The Working Group sought further information to understand the various issues raised by, and as a consequence of, the scrutiny request, so that it could reach an informed conclusion for report to the Committee.
- 3.3 The Working Group had at that stage already reviewed a range of information and documentation relating to this project and identified further areas where additional information/clarification was required. It also noted that the project team had undertaken a 'lessons learned' workshop and the resulting report prepared was awaiting sign-off by the Corporate Leadership Team following which it could be shared with Members. The Committee therefore resolved not only to add the item to its scrutiny workplan but refer the matter back to the Working Group for a review of the 'lessons learned' report when available, together with other outstanding related issues, in order to make recommendations to the Committee as required.
- 3.4 The Working Group has now reviewed the officer 'lessons learned' report and has sought to obtain clarity on how the project began, the ambition of the project, the governance undertaken, the timing of the involvement of Homes England, and the engagement with Registered Providers of affordable housing during the process.

- 3.5 As background information, a summary of the Corporate Project Decision History included in the closure report to the Council in November 2023 is set out at **APPENDIX A** to this report. At its last meeting also, the Working Group received further information from Officers by way of a response to additional questions raised by Members following the sharing with them of the 'lessons learned' report.
- 3.6 Discussion at the last Working Group meeting again focused on how the project was instigated and perpetuated but eventually deemed not to be commercially viable. Officers maintained that they had engaged with Members throughout and obtained appropriate approvals at every stage. In terms of whether the land value had been properly assessed at the outset, officers said that initial discussions with Registered Providers on a 100% affordable scheme showed that such a scheme could be viable. The proposed scheme was subsequently amended based on the advice of the Council's Planning team, to include a mix of affordable tenures, which ultimately proved to affect the viability of the scheme as this impacted on the availability of grant funding from Homes England.
- 3.7 The Working Group has now concluded that sufficient information on the points of concern has been received for examination and that this scrutiny item should now be brought back before the Committee for final decision. The 'lessons learned' report has been noted and having already been shared with Members the Committee is invited to note that it will inform practice and process for similar projects in the future. Although Members continued to have some concerns over process in relation to this particular project, it is acknowledged that Officers considered that all necessary governance had been applied and those concerns should not discourage Officers from being innovative and bringing forward ideas in the future. It was noted that the Council needed to be clear at the outset of future projects as to whether they are financially driven or have broader social objectives.

4. CONCLUSION

- 4.1 The Working Group has concluded that sufficient work has been done on this scrutiny workplan item and having received the 'lessons learned' report produced by the Project Team, which has already been shared with Members, now returns the item to the Committee for a final decision. It feels that the outcome from this scrutiny should be forward looking in that the findings of the 'lessons learned' report will assist practice and process in relation to future similar projects.

5. IMPACT ON PRIORITIES AS SET OUT IN THE CORPORATE PLAN 2023 - 2027

5.1 Provide good quality services.

- 5.1.1 Thorough scrutiny processes support improved performance and efficiency which in turn will contribute to the quality of services provided, and functions undertaken by the Council.

6. IMPLICATIONS

- (i) **Impact on Customers** – None directly, but individual scrutiny reviews will enable the impact on customers to be assessed.
- (ii) **Impact on Equalities** – Equalities are considered as part of the reporting on review work undertaken by Officers.

- (iii) **Impact on Risk (including fraud implications)** – Scrutiny reviews enable potential Corporate Risks to the organisation and their mitigation to be identified.
- (iv) **Impact on Resources (financial)** – Scrutiny reviews offer the potential for an assessment of financial impact to the organisation.
- (v) **Impact on Resources (human)** – Scrutiny reviews offer the potential for an assessment of any resource impact to the organisation.

Background Papers:

None

Enquiries to:

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