

Report to the Cabinet



**Epping Forest
District Council**

**Report reference: C/062/2006-07.
Date of meeting: 9 October 2006.**

Portfolio: Leader.

Subject: Leader Portfolio - Responsibility for Land and Development Transactions.

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Recommendations:

(1) That the responsibilities contained within the Leader's Portfolio concerning "major property/development proposals affecting the Council's property portfolio (where necessary in consultation with the Housing Portfolio Holder) but excluding ongoing estate management" be clarified so as to clarify "major property/development proposals" as those of a value of £1 million or more (excluding any contract relating to HRA schemes of whatever amount) which does not involve the purchase or disposal of land;

(2) That, in respect of proposals valued below the limit of £1 million which affect the Council's property portfolio, the definition be extended to require the relevant portfolio holder to consult the Leader of the Council as to whether the Leader wishes to be involved or take responsibility for dealing with the matter;

(3) That in respect of development or similar proposals which do not affect the Council's property portfolio directly but may have significant financial implications for the Council, the same definitions as set out in (1) and (2) above apply; and

(4) That these changes to the Portfolio Definition be recommended to the next meeting of the Council for inclusion in the Council's Constitution.

Report:

1. At the Council meeting on 29 June 2006 (Minute 29(b)(i)) the Council completed its review of Cabinet Portfolios following control of the Cabinet being assumed by the Conservative and Independent Groups.
2. The Leader's Portfolio is recorded as including "major property and development proposals affecting the Council's Property Portfolio (where necessary in consultation with the Housing Portfolio Holder) but excluding ongoing estate management". In one recent case the use of the term "major" has caused difficulties in that it became unclear as to whether a particular site in the District should fall within the Leader's Portfolio as a "major" transaction or should be dealt with by the Housing Portfolio Holder as a transaction which was not "major".
3. It is recommended that "major" proposals should be defined by reference to the estimated value of the property transaction. In the Council's Standing Orders which operated prior to the introduction of the Cabinet Constitution, (c. 1996) provision was made which reserved to the full Council property transactions of more than £250,000 in value for decision by the full Council. If this principle is applied to the definition of major proposals and updated "major transactions" might be defined as an estimated

valuation of £1million .The Cabinet is asked to consider this criterion should be used in future and the thresholds to apply and recommend to the next Council meeting for inclusion in the Constitution.

4. The definition of major proposals excludes all HRA projects, which do not involve property transactions (recommendation(1)), and there is a new requirement for portfolio holders to consult the Leader about any other property transaction which falls below the £1 million value threshold (recommendation (2)). Finally, recommendation (3) deals with schemes which do not involve property transactions but which may nevertheless have significant financial implications for the Council. In those cases, the same requirements are applied as are set out in recommendations (1) – (2).

Statement in Support of Recommended Action:

5. It is necessary for the Portfolio Holder responsibilities of the Leader of Council to be clearly defined in relation to other Cabinet Portfolios, which have involvement in land or property transactions.

Other Options for Action:

6. There is no alternative to the proper definition of the Leader's estates responsibilities. There is another criterion for defining major proposals for the purpose of the Portfolio, namely property area but this is not thought to be as effective.

Consultation Undertaken:

7. Leader of Council, Management Board.

Resource implications:

Budget provision: N/A.

Personnel: From within existing resources.

Land: From within existing resources.

Community Plan/BVPP references: Nil.

Relevant statutory powers: Local Government Act 1972.

Background papers: Nil.

Environmental/Human Rights Act/Crime and Disorder Act Implications: Nil.

Key Decision Reference (if required): N/A