

**CYNGOR CAERDYDD  
CARDIFF COUNCIL**

**POLICY REVIEW AND PERFORMANCE  
SCRUTINY COMMITTEE**

**18 APRIL 2018**

---

**CALL IN OFFICER DECISION SED/PR/29303 – DISPOSAL OF WEDAL  
ROAD HWRC, CATHAYS, CARDIFF.**

---

*Appendices 1 & 2 to Appendix A of this report are exempt from publication because they contain information of the kind described in paragraphs 14 and 21 of parts 4 and 5 of Schedule 12A to the Local Government Act 1972.*

**Purpose of Report**

1. To provide Committee Members with background information on: the Council's Call-In procedure; the decision being called-in at this meeting; and the scope, process and structure of Call-In scrutiny.

**Call-In Procedure**

2. The Council's Constitution contains a Call-In Procedure which provides that any non-Cabinet Member may call-in a decision of which notice has been given, by writing to Scrutiny Services within the Call-In Period (within seven clear working days after publication of the decision). Scrutiny Services shall then notify the Cabinet Business Office and call a meeting of the relevant Scrutiny Committee, where possible after consultation with the Chairperson of the Committee, and in any case within five clear working days of the decision to call-in.
3. Cabinet Decisions, for purposes of the Call-In Procedure, are those made by the Cabinet, a Committee of the Cabinet, the Leader, a Cabinet Member, the Chief Executive or a Corporate Director (or other post holder/s within the same tier of management or responsibility).

## **Decision being Called-In - SED/PR/29303**

4. On 20<sup>th</sup> March 2018 the Director of Economic Development resolved:
  - *To dispose of Wedal Road HWRC, Cathays, Cardiff by way of an off market sale to Cardiff & Vale University Health Board at a price defined by the independent valuation as outlined in the attached report at Appendix A.*
  
5. This Decision, known as SED/PR/29303 was published on 20<sup>th</sup> March 2018 in the Register of Cabinet Decisions, with a proposed implementation date of 30<sup>th</sup> March 2018. The reason provided for taking this Decision was:
  - *To secure a disposal of the site and achieve a capital receipt for the Council.*

## **Structure of the Papers**

6. The papers for this meeting consist of:

### **Appendix A** – The Officer Decision Report

**Appendix 1** – Heads of Terms for HWRC Wedal Road – *Not for publication*

**Appendix 2** – Independent valuation advice by GVA – *Not for publication*

**Appendix 3** – Site Plan

Members should note that **Appendices 1 & 2** of Appendix A are exempt from publication. Members are requested to keep this information confidential, in line with their responsibilities as set out in the Members Code of Conduct and the Cardiff Undertaking for Councillors. The meeting will go into closed session to enable discussion on this information.

**Appendix B** – The signed Officer Decision in accordance with the Council Scheme of Delegations.

**Appendix C** – The relevant section of the Decision Register setting out the decision and reasons for this decision.

**Appendix D** – Terms of Reference of the Policy Review & Performance Scrutiny Committee.

## Reasons given for Calling-In Decision SED/PR/29303

7. During the Call-In period after publication of the officer decision in the Register of Decisions on 20<sup>th</sup> March 2018, a non-executive councillor submitted a request to call-in Decision SED/PR/29303.
8. The reasons set out by the non-executive councillor for calling in the decision are:
  - *I am concerned that the off-market sale will not reflect market value or above market value of this site situated in Cardiff North. There are very few sites that afford the scope and size of the area contained within the Wedal Road HWRC site.*

I am calling on the appropriate scrutiny committee:

- *To look at the full value of the land in respect of its potential, primarily for residential development, in keeping with surrounding areas which are relatively modern and situated alongside the former HWRC. This is prime residential land and evaluated in relation to other residential developments in the north of the city.*
- *To test merits of the decision as to how the site might have been valued to achieve the best price for the Council. I quote the advert for the site which stated it was “a sought after location”.*
- *To review the decision to withdraw from auction and reconsider if this action constitutes best practice. A public auction is much more advantageous to the Council in achieving a proper market value from developers and other interested parties.*
- *To investigate whether the advertising and exposure of the advert was adequate to attract buyers from further afield.*
- *To investigate whether the site was valued for the provision of industrial, business or residential potential. This is paramount, as it would achieve a higher value for flats, houses or offices, pending any necessary planning permissions.*

- *The site is quite valuable and should have had more than one independent valuation, at least three valuations would be considered average, and be valued as prime residential land, not as industrial land.*
- *An example of this would be the last sale a couple of years ago, of the site of the former YMCA offices in Wedal Road, which had a reserve similar to the HWRC but was sold at auction for approximately £1m.*
- *I believe that the former Wedal Road HWRC could be sold for more than that figure with land prices increasing in value in Cardiff North.*
- *I therefore call on the scrutiny committee to consider the premise that by withdrawing this site from auction, value is not being achieved for Council.*
- *This is of great significance and importance to the Council as a whole, and I request that this decision be re-evaluated.*
- *I am therefore calling in this decision to withdraw the site from public auction.*

9. The Call-In request has been deemed valid and hence a Scrutiny Committee meeting has been convened to undertake the Call-In.

### **Scope of Scrutiny**

10. The role of Scrutiny Committees calling-in a decision is:
- To test the merits of the decision;
  - To consider the process by which the decision has been formulated;
  - To make recommendations (to support the decision, change aspects of the decision or to invite the decision making body to reconsider);
  - To suggest further steps before a decision is made.
11. The scope of this scrutiny is limited to exploring the reasons for the call-in listed in paragraph 9 and the role of scrutiny listed in paragraph 11. If questions are judged as probing areas not within the remit of the call-in, the Chair will deem it necessary to disallow the line of inquiry.

## **Process for Scrutiny**

12. The Committee needs to consider this call-in in accordance with the requirements of the Call-In Procedure, as set out in the Constitution. Under the Call-In Procedure, the relevant Scrutiny Committee may consider the called-in decision itself, or decide to refer the issue to the Council for scrutiny, if the matter is of general significance and importance to the Council as a whole. A Council meeting to consider this issue must take place within 10 clear working days of such a referral, unless otherwise agreed between the Leader and the Chairperson of the relevant Scrutiny Committee.
13. If the Scrutiny Committee chooses to consider the Decision, it may refer the Decision back to the decision maker for reconsideration, setting out in writing the nature of its concerns. The decision maker shall then reconsider the matter before adopting a final decision or formally deferring the matter for further consideration. The relevant Scrutiny Committee or Council as appropriate would be advised of the outcome at its next meeting.
14. If following a Call-In, the matter is not referred back to the decision maker, the decision shall take effect on the date of the relevant Scrutiny Committee or Council meeting which considers the issue, or the expiry of the Scrutiny Period or the Council Scrutiny Period as appropriate, whichever is the later.

## **Structure of Scrutiny**

15. To assist Members, Councillor Russell Goodway, (Cabinet Member Investment and Development), Neil Hanratty, (Director of Economic Development), Tara King, Assistant Director Commercial and Collaboration, and Helen Thomas, Strategic Estates Manager have been invited to respond to the Call-In and answer Committee Members questions.
16. In addition, Councillor Lyn Hudson, who has called in the decision, has been invited to give evidence to the Committee. If any written statements are provided for the meeting, a section has been allocated within the agenda for

their consideration. It is at the Chair's discretion to allow other witnesses to address the Committee.

17. All Members are reminded of the need to maintain confidentiality with regard to the information provided in **Appendices 1 & 2** of **Appendix A**. The meeting will go into closed session to enable discussion of this information.

### **Legal Implications**

18. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters, there are no direct legal implications. However, legal implications may arise if, and when, the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

### **Financial Implications**

19. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters, there are no direct financial implications at this stage in relation to any of the work programme. However, financial implications may arise if, and when, the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

## **RECOMMENDATION**

The Committee is recommended to:

- Consider Officer Decision SED/PR/29303 in accordance with the Call-In Procedure;
- Make a decision whether to refer the matter to the Decision-maker or not;
- Agree whether it wishes to forward any comments, observations or recommendations to the Decision-maker in writing.

**DAVINA FIORE**  
**Director of Governance & Legal Services**  
**12 April 2018**