



CABINET – 30TH OCTOBER 2019

SUBJECT: CHARTIST GARDENS DEVELOPMENT, PONTLLANFRAITH

REPORT BY: INTERIM CORPORATE DIRECTOR - COMMUNITIES

1 PURPOSE OF REPORT

- 1.1 To update Cabinet on the Chartist Gardens scheme proposed on the site of the former Pontllanfraith House and to seek approval to progress contract formalities if and when the developer secures planning consent.

2 SUMMARY

- 2.1 Cabinet previously considered (in October 2018) a strategy for the disposal of selected land with residential development potential and at the time agreed to develop a proposal with a Registered Social Landlord (RSL) for the site of the former Pontllanfraith House.
- 2.2 The report sets out in more detail the proposal that has been developed for the site in partnership with Pobl and which will result in a significant level of affordable homes provision, resultant benefits for the Common Housing Register and a capital sum being received by the Council for the sale of the site.
- 2.3 The report therefore seeks Cabinet approval for the proposed development and authorisation to conclude contractual and commercial formalities with Pobl.

3 RECOMMENDATIONS

- 3.1 Cabinet are asked to agree the proposed scheme outlined in Section 5 below and to authorise the Interim Head of Property Services in consultation with the Cabinet Member for Homes & Places and the Interim Corporate Director (Communities) to conclude contractual and commercial formalities with the RSL (Pobl).

4 REASONS FOR THE RECOMMENDATIONS

- 4.1 To ensure that the level of affordable housing is maximised on the former Pontllanfraith House site and that the Authority's partnership with Pobl will deliver accommodation for people registered on the Common Housing Register which is administered by the Council.

5 THE REPORT

- 5.1 A report entitled The Strategy for the Disposal of Selected Land with Residential Development Potential report was considered by Cabinet on 3rd October 2018. At the time Cabinet confirmed its commitment to facilitating the residential redevelopment of surplus Authority land using the most appropriate delivery model. For the former Pontllanfraith House site it was

determined that development in collaboration with a Registered Social Landlord (RSL) would result in maximum benefit and an aspiration to deliver broadly equal proportions of social rented, shared ownership and market sale dwellings was confirmed. Cabinet required that commercial terms be established for both outright sale and the Lease models for further consideration and approval by Cabinet.

- 5.2 A scheme has been developed by Pobl in collaboration and consultation with the Authority and the current layout, which is draft and subject to planning approval, is attached to this report. The development philosophy follows the Garden Village concept, similar to that developed by Pobl at Loftus Gardens, Newport, with enhanced landscaping and external features and arts and crafts style homes designed to enhanced space standards.
- 5.3 An Almshouse style development of apartments is arranged around the Cenotaph and the axis from the Cenotaph, along the main avenue and into a recreation area, will form the centre piece of the scheme.
- 5.4 The footpath adjacent to the existing pond to the northern boundary will form an attractive link between the development and the parkland to the north.
- 5.5 All homes with driveways will feature pre-installed cabling for electric vehicle (EV) charging and two public EV charging points will also be provided if sufficient network capacity is available.
- 5.6 The drainage will be designed to the latest 2019 Sustainable Drainage Regulations.
- 5.7 Welsh Assembly Government Technical Advice Note 2 defines affordable housing as housing provided to those whose needs are not met by the open market. Affordable housing therefore includes social rented housing provided by local authorities or registered social landlords and intermediate housing where prices or rents are above those of social rented housing but below market housing prices or rents, including equity sharing schemes. The Local Development Plan stipulates an affordable housing target of 25% (of the total number of units) for Pontllanfraith subject to viability and need but in reality cost viability issues and arguments often mean this target is not achieved on private sector developments.
- 5.8 This flagship collaboration between the Authority and Pobl will result in an attractive scheme comprising 125 homes of which 83 homes, or two thirds of the development, will be affordable. Specifically 42 of the homes will be for market sale, 41 homes will be available for low cost ownership (rent to buy or shared ownership) and 42 will be social rented homes with the size and type mix developed in collaboration with Caerphilly Homes and matched to local need. This is far in excess of the local target and the development will thus go some way to address the current shortage of new affordable homes in the Pontllanfraith area. The scheme also aligns fully with the Placemaking Agenda currently being developed by the Authority.
- 5.9 The 42 social rented homes will be allocated to people registered on the Common Housing Register (CHR). The CHR is operated in partnership with the six registered social landlords who have housing stock within the county borough including Pobl and is administered by the Council. The number of applications on the CHR currently stands at approximately 4,300. The proposed development offers significantly more affordable homes than required by the Local Development Plan and will make a significant contribution towards the Council's priority of meeting those needs identified in the 2018 Local Housing Market Assessment. Those on the CHR will be made offers of accommodation based on the preferences stated on their housing application form and in accordance with the criteria set out in the Common Allocations Policy (CAP), which has been developed in collaboration with our partner RSL's. Similarly applicants and residents can register interest in the other affordable housing on the site (comprising 41 rent to buy and shared ownership homes) via the Authority.
- 5.10 The Lease model, where a rent is collected rather than a capital receipt, is a potential alternative to land sale for intermediate rental properties. However, the mix of tenure

proposed for the site, which has been developed in collaboration and reflects the local need, includes no intermediate rental properties and therefore the Lease model cannot be considered further.

- 5.11 The District Valuer was instructed to value the site if sold for residential redevelopment and the ensuing report indicates a value of £1.5m. This aligns with expectations based on previous market testing.
- 5.12 Pobl anticipate that a capital receipt of circa £1.5m could be realised for the scheme as currently proposed but the figure cannot be finalised and confirmed until the planning process has concluded. A significant variable is the commuted sums required in connection with the maintenance of the drainage under the Sustainable Drainage Regulations introduced in January 2019. The current scheme cost model includes an allowance of £500,000 for this which is considered prudent at this stage. Any increase in the commuted sum required (by the planning process) could affect the level of capital receipt.
- 5.13 Cabinet are asked to endorse the progress to date and the scheme proposals and give approval to the Interim Head of Property Services, in consultation with the Cabinet Member for Homes and Places and Interim Corporate Director (Communities) to progress and conclude contractual and commercial formalities with Pobl.
- 5.14 Assuming Cabinet give the support and approval requested in 5.13 it is anticipated that a planning application will be submitted before the end of 2019 and work could commence on site in Autumn 2020.

6 ASSUMPTIONS

- 6.1 The assumptions made in the report include the accommodation mix outlined in paragraph 5.7 above and the draft site layout appended to this report but these matters will obviously be subject to planning permission.
- 6.2 The capital receipt of £1.5m and commuted sums linked to sustainable drainage regulations are assumed to be prudent at this stage but again the planning process may influence these projected sums.

7 LINKS TO RELEVANT COUNCIL POLICIES

- 7.1 The report links to the Asset Management Strategy - Property & Land, as well as both the Corporate Plan 2018-2023, the Caerphilly Council Borough Local Development Plan up to 2021 and the Council's Regeneration Strategy a Foundation for Success 2018 - 2023.

Corporate Plan 2018-2023.

The report contributes towards or impacts the Corporate Well-being Objectives as follows:

Objective 2 Enabling employment.

The proposal will lead to the construction of 125 additional homes and the construction phase will create considerable employment opportunities. Similarly the additional homes will give people greater flexibility to base themselves near to employment and/or commuter routes.

Objective 3 Address the availability, condition and sustainability of homes throughout the county borough and provide advice, assistance or support to help improve people's well-being.

The proposal directly supports this objective by providing 125 homes of which 83 will be *affordable*

- Objective 4 Promote a modern, integrated and sustainable transport system that increases opportunity, promotes prosperity and minimises the adverse impacts on the environment
Most of the proposed homes will include infrastructure for electric vehicle charging
- Objective 5 Creating a county borough that supports a healthy lifestyle in accordance with the sustainable Development Principle within the Wellbeing of Future Generations (Wales) Act 2015. **The proposal includes recreational space, adjoins public accessible parkland and is within walking distance of a town centre and a leisure centre**
- Objective 6 Support citizens to remain independent and improve their well-being
The proposal includes accessible accommodation in a garden village setting

8 WELL-BEING OF FUTURE GENERATIONS

- 8.1 This report links directly to the Well-being goals within the Well-being of Future Generations Act (Wales) 2015:
- A prosperous Wales – **employment opportunities**
 - A healthier Wales* - **the proposal includes recreational space, adjoins public accessible parkland and is within walking distance of a town centre and a leisure centre**
 - A more equal Wales* - **the proposal includes 83 affordable homes allowing more people to rent and buy modern efficient homes**
 - A Wales of cohesive communities* - **the proposed development is within walking distance of public accessible parkland , a town centre, a leisure centre and schools**
 - A globally responsible Wales* **Most of the proposed homes will include infrastructure for electric vehicle charging**
- 8.2 The proposal supports the five ways of working as defined within the sustainable development principle in the Act as follows:
- Long Term **The proposal will provide modern and affordable homes for current and future generations**
 - Prevention **The proposed development is based on the garden village concept which promotes community living and responsibility**
 - Integration **There proposed development will be embedded within an existing community**
 - Collaboration **The proposal is the result of a successful collaboration between the Authority and Pobl, a Registered Social Landlord.**

9 EQUALITIES IMPLICATIONS

- 9.1 An EIA screening has been completed in accordance with the council's strategic equality plan and supplementary guidance. No potential for unlawful discrimination and/or low level or minor negative impact has been identified, therefore a full EIA has not been carried out.

10 FINANCIAL IMPLICATIONS

- 10.1 The financial implications are outlined in the main body of the report at Section 5.
- 10.2 In summary the Authority will receive a capital receipt of £1.5m for sale of the site to Pobl (subject to planning requirements).

11 PERSONNEL IMPLICATIONS

11.1 There are no personnel implications associated with this report.

12 CONSULTATIONS

12.1 The consultees listed below have been consulted on the report and any comments received have been included in the report.

13 STATUTORY POWER

13.1 Local Government Act 1972, and the Local Government Act 1972: General Disposal Consent (Wales) 2003. This is a Cabinet Function.

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Cllr Lisa Phipps, Cabinet Member for Homes and Places
Cllr Colin Gordon, Cabinet Member for Corporate Services
Cllr Gez Kirby, Local Ward Member
Cllr Mike Adams, Local Ward Member
Cllr John Ridgewell, Chair of Housing and Regeneration Scrutiny Committee
Cllr Christine Forehead, Vice Chair of Housing and Regeneration Scrutiny Committee

Background Papers:

Report to Cabinet 3rd October 2018 “The Strategy for the Disposal of Selected Land with Residential Development Potential

Appendices:

Appendix 1 Current Layout Plan