



CABINET

MINUTES OF THE REMOTE MEETING HELD VIA MICROSOFT TEAMS ON WEDNESDAY, 9TH SEPTEMBER 2020 AT 10.30 A.M.

PRESENT:

Councillor P. Marsden (Leader) - Chair

Councillors:

C. Cuss (Social Care), N. George (Waste and Public Protection), C.J. Gordon (Corporate Services), S. Morgan (Economy and Enterprise), L. Phipps (Housing and Property), J. Ridgewell (Environment and Infrastructure), E. Stenner (Performance and Customer Services) and R. Whiting (Learning and Achievement).

Together with:

C. Harryh (Chief Executive), R. Edmunds (Corporate Director – Education and Corporate Services), M.S. Williams (Interim Corporate Director – Communities).

Also in Attendance:

S. Harris (Acting S151 Officer), Shaun Couzens (Chief Housing Officer), Claire Davies (Private Sector Housing Manager), Paul Hudson (Business Enterprise Renewal Team Leader), C. Hunt (Regional Community Cohesion Officer), R. Kyte (Head of Regeneration and Planning), K. Peters (Corporate Policy Manager), S. Pugh (Communications Manager), J. Roberts-Waite (Strategic Coordination Manager), R. Tranter (Head of Legal Services and Monitoring Officer), C. Evans (Committee Services Officer)

A. Dobbs (Wilmott Dixon), J. Duggan (Wilmott Dixon), Gemma Welsher (Wilmott Dixon)

Councillor V. James (Observing), Councillor C. Mann (Observing)

LEADERS ANNOUNCEMENT

The Leader welcomed everyone to the meeting and explained that following recent increases in positive cases of Covid-19, a local lockdown has been enforced in the Caerphilly County Borough, which is a stark reminder that the virus has not gone away and it has become even more paramount to protect our people and place.

Members were asked to note that the Caerphilly County Borough Council website has further information on the lockdown, as well as frequently asked questions should there be any queries.

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from D. Street (Corporate Director – Social Services and Housing).

2. DECLARATIONS OF INTEREST

There were no declarations made at the beginning or during the course of the meeting.

3. CABINET – 22ND JULY 2020

RESOLVED that the minutes of the meeting held on 22nd July 2020 were approved as a correct record.

4. CABINET – 30TH JULY 2020

RESOLVED that the minutes of the meeting held on 30th July 2020 were approved as a correct record.

5. CABINET FORWARD WORK PROGRAMME – TO NOTE

Cabinet were provided with the Cabinet Forward Work Programme, which detailed the scheduled reports from 9th September 2020 to 30th September 2020. Members were reminded that the Cabinet Forward Work Programme is a working document and therefore subject to change.

Cabinet were asked to note that the report on Agile/ Flexible Working is to be considered by Scrutiny Committee at the end of the month and will be considered by Cabinet following this.

A Cabinet Member requested that the Cabinet Forward Work Programme provide a longer outlook on the upcoming reports, it was noted that this will be discussed further at the Policy Framework meeting, in which Cabinet will be asked to consider their priorities, which will inform the long-term Forward Work Programme.

Following consideration and discussion, it was moved and seconded that the Forward Work Programme be noted. By a show of hands this was unanimously agreed.

RESOLVED that the Cabinet Forward Work Programme be noted.

MATTERS ON WHICH EXECUTIVE DECISIONS WERE REQUIRED

6. UK RESETTLEMENT SCHEME (UKRS)

The report provided Cabinet with an update on the authority's participation in the UK's Vulnerable Persons Resettlement Scheme (VPRS) and its contribution to alleviating the humanitarian crisis affecting millions displaced within Syria and the surrounding countries of Jordan, Turkey, Lebanon and Egypt. The report also provided an overview of how the resettlement programme is being reformed (post 2020) and requests a steer from Cabinet on future participation in the successor resettlement programme, the UK Resettlement Scheme (UKRS), and/or the UK's Asylum Seeker Dispersal Scheme (ASDS).

Cabinet noted that in 2015 Caerphilly CBC became one of the first authorities in the UK to support the VPRS; during the past 4 years the authority has successfully resettled 7 families, comprising 35 refugees. The VPRS was a five-year commitment that is now entering its final stages – refugees are supported for 5 years after settlement taking the maximum time period of the VPRS to 10 years. The UK government has announced plans to continue its support for refugees under a new UK Resettlement Scheme to start in 2020. The new scheme plans to resettle in the region of 5,000 of the world's most vulnerable refugees in its first year.

The report also sought clarification on the role of the authority in the future resettlement programme as well as recognising alternative approaches, such as the Asylum Seeker Dispersal Scheme, should the authority wish to continue to support the UK Government's efforts in meeting their international obligations to provide humanitarian protection to those in need.

It was noted that the WLGA, through the Wales Strategic Migration Partnership, have recently written to the Leader and Chief Executive asking for the level of commitment CCBC is able to give to the UKRS.

The Officer added that due to the current pandemic, the scheme has been on hold and as a result was due to conclude in April. It is anticipated that it will commence soon, but there has been no steer as to the timescales for the new scheme to come into effect, however, Cabinet were assured that the Home Office continue to support and provide their ongoing commitment to the UKRS.

Cabinet thanked the Officer for the report and discussion ensued.

A Cabinet Member sought further information on the success rate of the programme, in respect of outcomes, integration and sustainability. Officers explained that to date, 7 families have been resettled into the borough, but explained that success is difficult to measure. It was noted however that the orientation for each family has gone well, although a language barrier has caused some issues, but a support programme is in place, with a home tuition service for adults of 19 years and above. A family work programme is also in place, offering support into the work place and training, and as a result a family relocated to Caerphilly will shortly be commencing an undergraduate Nursing degree, which is a significant success. Members were assured that whilst success in this particular programme is difficult to measure, families are feeling welcome and settled and orientated.

Following consideration and discussion, it was moved and seconded that the report be approved. By a show of hands, this was unanimously agreed.

RESOLVED that for the reasons contained in the officer's report **Option 2** that CCBC participate in the successor UKRS be supported and it be noted that there are challenges in terms of housing availability, Additional Learning Needs (ALN) and general welfare provision as set out in the report.

7. COVID-19 BUSINESS RENTAL HOLIDAY (TREDOMEN CAMPUS)

The report provided Cabinet with details of a proposal to grant a three-month rental holiday to business tenants on the Tredomen Campus, subject to meeting certain criteria.

It was noted that the Council has a portfolio of industrial and office accommodation across the county borough consisting of predominately industrial/light industrial accommodation, but with some office accommodation. The portfolio has been developed over time as key component of the Council and its predecessor authority's Economic Development objectives.

Businesses across the county borough have been impacted by the pandemic in differing ways, with many following UK and Welsh Government advice and regulations to adopt different working practices, and through taking advantage of a range of COVID-19 related business support schemes.

The main source of support for business tenants during the lockdown period has been the UK-wide Non-Domestic Rates (NDR) Business Grants Scheme, which provided a grant of either £10k or £25k to eligible businesses. A significant proportion of the Council's industrial and office portfolio has a Rateable Value of under £12k, which allowed the ratepayer (tenant) to receive a grant of £10k. The notable exception is the Tredomen Campus, which is operated

as serviced office accommodation. This agreement means that the tenants pay an all-inclusive rent that includes Business Rates and has resulted in tenants being ineligible for the grant scheme as the Council is the ratepayer.

A number of business tenants initially requested support from the Council by way of a rent holiday. In response Officers introduced a rent deferral option for business tenants whereby rent due between April and June 2020 was deferred, on request, to be repaid over 3, 6 or 9 months.

The rent deferral period has now come to an end, but several businesses continue to suffer the effects of the lockdown with many reporting cashflow, customer demand and supply chain issues. As such, some requests have been made to Officers for rent to be waived as opposed to additional/extended deferment.

Cabinet thanked the Officers for the report and discussion ensued.

The Leader outlined that the criteria was not determined by the Council, and the report recommends rectifying an anomaly in order to support our local businesses during the current crisis.

A Cabinet Member, in noting the significant work undertaken to administer grants to eligible businesses, sought further information on those businesses who were not eligible and the impacts the pandemic has had. Officers explained that some businesses have looked to downsize as a result of staff home working, whilst some others have seized the opportunity to expand their enterprise and seek start-up grants. Members were asked to note that due to the pandemic ongoing, the full implications are not yet realised.

Following consideration and discussion, it was moved and seconded that the recommendation in the report be approved. By a show of hands this was unanimously agreed.

RESOLVED that for the reasons contained in the officer's report: -

- i) that the rent due from private tenants located within the Tredomen Campus be waived between April and June 2020 where the following criteria are met: -
 - The tenant would have been eligible for a NDR Business Grant had they been the registered ratepayer at the qualifying date of the 20th March 2020.
 - The tenant has not been able to access funding from the Economic Resilience Fund (ERF).
- ii) that the lost income of up to £75k is funded from specific earmarked reserves that will be established to meet unfunded costs arising from the Covid-19 pandemic.

8. CARDIFF CAPITAL REGION HOUSING INVESTMENT FUND – VIABILITY GAP FUND SITES

The report provided Cabinet with an update on the Cardiff Capital Region (CCR) Housing Investment Fund (HIF) programme aimed at unlocking housing sites that are currently stalled due to a viability gap and to consider the opportunities the programme offers for unlocking three sites:

- Windsor Colliery in Abertridwr
- Land at Gellideg Height in Maesycwmmmer; and
- Land at Heolddu Grove in Bargoed;

The report also sought approval for the Interim Head of Property Services, in consultation with the relevant Cabinet Member(s), to negotiate and conclude the sale of Windsor Colliery to United Welsh Housing Association (UWHA) if necessary.

Cabinet noted the details of the Cardiff Capital Region Housing Investment Fund – Homes for all the Region, specifically the Viability Gap Fund (VGF), which will provide funding recommendation opportunities for sites that are stalled due to significant infrastructure or remediation costs.

Members noted that the report seeks approval to progress and submit formal funding applications for HIF VGF funding to Cardiff Capital Region (CCR) in respect of three prioritised sites which can demonstrate a gap in their viability due to infrastructure and/or remediation costs.

The three prioritised sites are either housing allocations in the Adopted Caerphilly County Borough Local Development Plan Up to 2021 (LDP), or within the settlement boundary. The sites are:

- Windsor Colliery in Abertridwr
- Land at Gellideg Heights in Maesycwmmmer; and
- Land at Heolddu Grove in Bargoed.

It was noted that Windsor Colliery is within Local Authority ownership. Cabinet approval has already been granted for the site to be developed through a 'leased model' of development in order to increase affordable housing provision. However, in order to achieve a viable scheme, it may be necessary for the proposed developer for the site namely United Welsh Housing Association (UWHA) to purchase the land, and the report also sought approval for officers to undertake negotiations on the sale if necessary.

Cabinet thanked the Officer for the report and discussion ensued.

A Cabinet Member sought further information on the projects, in particular around the carbon neutral proposals. Officers explained that the exact housing structures are currently under debate with the provider United Welsh and it is hoped that this will be confirmed soon. However, Cabinet were assured that there is a drive towards zero carbon, cheap to run and sustainable housing as part of the Caerphilly Homes portfolio and negotiations are underway, with these aims in mind.

Discussions took place around 'Passivhaus' and whether this model was something for consideration. Officers explained that the site in Caerphilly, which is currently under development aims to meet the standards set out within this model, as are further developments proposed under Caerphilly Homes.

A Cabinet Member sought further information on the use of developers and whether Small to Medium Enterprises (SME's) will be utilised in the development of the sites and how this will be managed. Officers explained that the HIF SME Fund is in the process of being developed by Cardiff Capital Region and details on this element of the HIF fund are expected by the end of the year. Members were assured that any further developments related to the SME Fund would be presented to Cabinet when further information is available.

A Cabinet member was pleased to note the allocation of brownfield sites as part of the programme and noted the importance of, and difficulties in utilising these sites and making them fit for purpose.

A Cabinet Member raised a query, which was submitted by the local ward member at Maesycwmmmer, in relation to the Gellideg Heights site. The local member raised concerns around the impact of the development on the local environment, road infrastructure, school and GP places and the proposed developments adverse impact to local residents. Officers

explained that part of the site currently has the benefit of planning consent, part is allocated in the Adopted LDP. The HIF proposal combines these. It is proposed to utilise the existing access for the HIF proposal and if acceptable the impact on the green wedge would be less than the impact of the existing planning consent, as this scheme proposed a new access road which would cut through a significant part of the green wedge. Members were assured that any proposal will need to obtain planning consent and all material planning considerations, including access, impact on green wedge, environmental concerns etc would be considered in the determination of the application. The scheme would also require SAB approval. Work is currently underway to meet the HIF deadlines.

Following consideration and discussion, it was moved and seconded that the recommendation in the report be approved. By a show of hands this was unanimously agreed.

RESOLVED that for the reasons contained in the officer's report: -

- i) the opportunities afforded by the proposed Cardiff Capital Region (CCR) Housing Investment Fund (HIF) Viability Gap Fund (VGF) programme be noted;
- ii) that bids for HIF VGF funding be submitted to CCR for the following prioritised sites:
 1. Windsor Colliery in Abertridwr;
 2. Land at Gellideg Heights in Maesycwmmmer; and
 3. Land at Heolddu Grove in Bargoed.
- iii) that the Interim Head of Property Services, in consultation with the relevant Cabinet Member/s enter into and conclude negotiations on the sale of Windsor Colliery to UWHA if necessary.

9. PRIVATE SECTOR HOUSING - PROPOSED EMPTY HOMES TEAM TO DELIVER EMPTY HOMES PROGRAMME, INCLUDING VALLEY TASKFORCE INITIATIVE

The report sought Cabinet approval to participate in the proposed empty homes work programme and to establish an empty homes team within Private Sector Housing, with the associated cost being met through Capital Earmarked Reserves.

The report also sought Cabinet approval for the capital funding required to support the delivery of Phase 2 'Empty Property Grants' via the Valley Taskforce (VTF) initiative and the establishment of an Empty Homes Team.

Cabinet were asked to note that with no dedicated staff resource to proactively progress empty home issues CCBC has, to date, only been able to deal with reactive complaints linked to long term vacant properties. Welsh Government are very keen for Local Authorities to actively address the problems associated with empty properties and are currently progressing an enforcement agenda throughout Wales, aimed at returning empty properties, including empty homes, back into beneficial use. The report outlined the private sector empty homes work programme linked to the Welsh Government agenda and the development of an Empty Homes Team to successfully undertake the work as well as contributing to the wider issues associated with empty properties within our communities.

Cabinet thanked the Officer for the report and discussion ensued.

A Cabinet Member, in noting the work currently being undertaken, and the need in the borough to not only bring vacant properties back into use to mitigate anti-social behaviour and community image, but to help meet the housing demand, sought further information on the costs to fund the team and the number of properties sought to bring back into use. The Officer explained that there is currently 1 member of staff allocated for 1 day per week to the

programme and as a result, only enforcement actions are considered due to limited time and Funding. Since Welsh Government announced the availability of the Valley Taskforce Funding, enquiries have been received from 138 property owners, keen to take part in the programme and get their properties occupied.

Following consideration and discussion, it was moved and seconded that the recommendation in the report be approved. By a show of hands, this was unanimously agreed.

RESOLVED that for the reasons contained in the officer's report: -

- i) the report be noted;
- ii) the creation of an empty homes team be approved and the funding of fixed-term staffing costs of £275k to deliver the work programme associated with Welsh Government's empty property enforcement agenda.
- iii) the capital allocation of up to £700k to support the delivery of Phase 2 'Empty Property Grants' via the VTF Initiative be approved.
- iv) the total funding requirement of up to £975k should be met from Capital Earmarked Reserves.

URGENT ITEM – NOT SUBJECT TO CALL-IN

10. CAERPHILLY HOMES INNOVATIVE DEVELOPMENT PROPOSALS – LLANFABON DRIVE, TRETTHOMAS; THE CRESCENT, TRECENYDD & OAKDALE COMPREHENSIVE SCHOOL

In accordance with the Council's Constitution the Mayor had agreed that the decision proposed was reasonable in all the circumstances and should be treated as a matter of urgency and therefore exempt from Call-in. The decision will be reported to the next meeting of Council.

The report provided Cabinet with an update on the work undertaken to date with Willmott Dixon to increase the number of affordable homes for social rent within Caerphilly Homes' portfolio. The work has focused on bringing innovation, scale and momentum to an ambitious desire by the Council to deliver 400 homes by 2025.

The report sought approval from Members formally engage Willmott Dixon via the SCAPE Official Journal of the European Union (OJEU) compliant framework to deliver a new, Caerphilly made, bespoke housing solution at The Crescent, Trecenydd; Llanfabon Drive, Trethomas and the former Oakdale Comprehensive School site on behalf of Caerphilly Homes.

The report sought approval to apply for funding from the Welsh Government's Innovative Housing Programme for two of the three sites noted above as pilot or demonstrator sites (The Crescent, Trecenydd and Llanfabon Drive, Trethomas).

Cabinet noted that in order to bring scale, pace and momentum to the Council's ambition to deliver 400 new homes between 2020 and 2025 and deliver against the commitment to ensure that Caerphilly is a zero carbon borough by 2030, officers have been working closely with Willmott Dixon via the SCAPE framework.

It was noted that SCAPE is an OJEU compliant framework which permits the Council to enter into a collaborative arrangement via an NEC contract with Willmott Dixon who tendered for and won the major works element of the SCAPE framework and who can deliver works on behalf of clients with a value of between £2m and £20m.

One of the key benefits of engaging a construction partner via the Framework is the fact that all the initial, up front feasibility work is undertaken free of charge. It is only when clients are satisfied that the feasibility work confirms that a site is viable, you proceed to the next stage entitled 'pre-construction' and enter into a formal, fee incurring contract arrangement.

Cabinet noted that Willmott Dixon have completed feasibility studies on both Llanfabon Drive, Trethomas and The Crescent, Trecenydd. A high-level outline feasibility study has been completed on the former Oakdale Comprehensive School site.

The Crescent, Trecenydd and Llanfabon Drive, Trethomas are both sites that fall within the Council's Housing Revenue Account (HRA). The former Oakdale Comprehensive School site falls within the Council's General Fund and as a result the acquisition of the site must be apportioned at the rate determined by the District Valuer.

It was noted that all studies indicate that each site is viable for development and Officers are at the point where a formal contract arrangement must be entered into in order for Willmott Dixon to start the detailed investigations and surveys required on all three sites. This phase of the SCAPE Framework, known as 'pre-construction', will enable Willmott Dixon to undertake the survey and design work necessary to provide a detailed cost profile before the Council commits to progressing the schemes to the next phase, known as the 'development contract' phase.

The estimated cost of the 'pre-construction' phase is £814k for all three sites. To date, the feasibility and research and development work undertaken by Willmott Dixon has been delivered free of charge.

Members noted that the mandate at the outset of the discussions with representatives from Willmott Dixon was to deliver high quality, energy efficient, healthier, accessible and flexible homes that would support the circular and foundational economies, mitigate the effects of climate change and create new opportunities for skills development, training and employment. Taking these requirements on board, Willmott Dixon have worked closely with Caledan Ltd, based on Penallta Industrial Estate, to develop an innovative and climate resilient steel framed product that is sourced locally and delivers a Passivhaus, non-combustible envelope solution ensuring that any new social rented homes achieve optimum energy efficiency, create a healthy internal environment, develop beautiful places and deliver lower running costs for tenants.

Officers explained that on 30th July, Welsh Government launched the fourth year of the Innovative Housing Programme (IHP) which has a Modern Methods of Construction (MMC) focus. Caerphilly Homes has not been able to apply for funding from this fund previously due to the focus on completing WHQS and the absence of a development programme. There is now an opportunity for Caerphilly Homes to apply for funding of up to 58% towards the costs of progressing the two demonstrator sites and up to 100% of the costs associated with the additional costs of innovation.

Cabinet noted that the deadline and process for the submission of a funding application is challenging with an expectation from Welsh Government that eligible schemes will be submitted for consideration by the Design Commission for Wales late August and Early September and that applications will be submitted by 25th September. The IHP requires signed build contracts to be in place by 5th March 2021 and schemes to start on site no later than 30th April 2021.

As a result, urgent approval is now sought to take this work to the next stages of the SCAPE framework which is the pre-construction phase for the former Oakdale Comprehensive School site, The Crescent, Trecenydd and Llanfabon Drive, Trethomas at an estimated cost of £814k.

The report sought approval to take The Crescent, Trecenydd and the Llanfabon Drive, Trethomas sites through to full planning and thereafter development at a cost of £3.7m. A further report will be brought forward to Cabinet following the preconstruction work on the Oakdale site prior to the next, development contract phase being entered into.

Approval is also sought to apply for funding from the Welsh Government's Innovative Housing Programme for the pre-construction and development contract phases of the SCAPE framework relating to The Crescent, Trecenydd and Llanfabon Drive, Trethomas. The Oakdale site will not be eligible for this grant funding as it is not anticipated to be developed for affordable housing only which is a key requirement for the grant award.

Cabinet were assured that all three schemes will be subject to planning and SAB requirements. A preapplication process is underway for both the Trecenydd and Trethomas sites. The HRA has included building development in its portfolio and proposals have been submitted in the 2020/21 Housing Business Plan, which at the time of submission, confirmed that the HRA remained viable and the borrowing requirement, affordable. This was submitted prior to the Covid-19 pandemic.

Cabinet thanked the Officer for the report and welcomed Mr A. Dobbs – Wilmott Dixon and his colleagues to the meeting to provide a presentation on the scheme, outlining materials, costs and deadlines, as well as sustainability factors and links to the mantra of the Wellbeing of Future Generations Act 2015.

Cabinet thanked Mr Dobbs for his presentation and discussion ensued.

The Cabinet Member for Housing and Property wished to express their gratitude to Wilmott Dixon, and Jane Roberts-Waite and her team for working tirelessly to bring the report today and noted the urgency of the item due to the deadlines imposed by Welsh Government.

A Cabinet Member sought further information on the costs and funding allocation for the programme. The Officer explained that the IHP is in its fourth year of the programme, which until now, Caerphilly has not been to apply to. It was noted that it is anticipated that costs in relation to the innovation and steel frames for the properties will receive 100% funding but survey costs etc. will receive 58%.

Following consideration and discussion, it was moved and seconded that the recommendation in the report be approved. By a show of hands, this was unanimously agreed.

RESOLVED that for the reasons contained in the officer's report: -

- i) that the move to the pre-construction phase of the SCAPE Framework be approved for The Crescent, Trecenydd, Llanfabon Drive, Trethomas and the former Oakdale School sites at a cost of £814k.
- ii) that the move from the pre-construction phase of the SCAPE Framework be approved through to full planning and into the development phase for The Crescent, Trecenydd and Llanfabon Drive, Trethomas sites at an estimated cost of £3.7m.
- iii) that the submission of an IHP funding proposal to finance up to 58% of the costs associated with the pre-construction and development of the Trecenydd and Trethomas sites and up to 100% of the innovation related costs.

The meeting closed at 12:06.

Approved and signed as a correct record subject to any corrections made at the meeting held on 30th September 2020.

CHAIR