



CABINET – 31ST JANUARY 2018

SUBJECT: LAND AT PLASTURTWYN TERRACE, LLANBRADACH

REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES AND S151 OFFICER

1. PURPOSE OF REPORT

- 1.1 To seek members' instructions in relation to the disposal of land at Plasturtwyn Terrace, Llanbradach.

2. SUMMARY

- 2.1 In 1997, the land at Plasturtwyn Terrace, Llanbradach was declared surplus to requirement; it became apparent with the advent of Technical Advice Note (TAN) 15: Development and Flood Risk (2004) that the site would be difficult to develop and the proposal was 'shelved'.
- 2.2 Over time, the site has been actively reconsidered and the impediments resolved.
- 2.3 Officers have identified a need for affordable housing and a proposal is being worked up with United Welsh Housing Association (referred to in the report as UWHA) (our zoned housing association partner).
- 2.4 Local residents have submitted a petition registering an interest in purchasing part of the land for the purpose of garages and parking.
- 2.5 The options for the site are:
- 2.5.1 To negotiate a disposal directly with UWHA in which case affordable housing could be up to 100%. In this scenario, because UWHA has been working up a proposal, it has been established that the wish of residents to purchase part of the land for the purpose of garages and parking cannot be accommodated since the reduction in site area renders the current scheme unviable.
- 2.5.2 To put the site on the market with a view to achieving a capital receipt; in this option, affordable housing will be limited to a maximum of 40% (as referenced in Supplementary Planning Guidance LDP1 – Affordable Housing Obligations July 2017). However, the wish of residents to purchase part of the land for the purpose of garages and parking *could* be accommodated since the site offered for sale will exclude that part (with a consequential reduction in the purchase price).

3. LINKS TO STRATEGY

The contents of this report link to the following key strategic objectives:

3.1 Housing Focus

“Encourage the development and maintenance of high quality, well designed and efficient, sustainable homes and environments which can meet all needs.” (*Community Strategy: Living Environment – Objective 1*)

“Ensure an adequate and appropriate range of housing sites are available across the County Borough in the most suitable locations to meet the housing requirements of all sections of the population” (*Local Development Plan –Objective 9*)

“Meet housing requirements through the provision of a range of good quality, affordable housing options.” (*Aim 5: Affordable Housing – Local Housing Strategy*)

“Provide good quality, well-managed homes in communities where people want to live, and offer people housing choices which meet their needs and aspirations.” (*Aim 6: Housing Management - Local Housing Strategy*)

“Promote sustainable and mixed communities that are located in safe and attractive environments.” (*Aim 11: Community Regeneration - Local Housing Strategy*)

There is a need to increase the number of affordable homes for purchase or rent (*Improving Lives and Communities – Homes in Wales – April 2010*)

3.2 Well Being of Future Generations

The proposal contributes to the following Well-being Goals within the Well-being of Future Generations Act (Wales) 2015:

- ✓ A sustainable Wales
- ✓ A prosperous Wales
- ✓ A more equal Wales
- ✓ A Wales of cohesive communities

4. THE REPORT

4.1 In 1997, the land at Plasturtwyn Terrace, Llanbradach was declared surplus to requirement, the neighbouring private sector owners were approached, and discussions about the possibility of promoting a joint redevelopment began.

It became apparent with the advent of **Technical Advice Note (TAN) 15: Development and Flood Risk (2004)** that the site would be difficult to develop; the site was fettered also by the need to obtain Welsh Government approval to dispose of a former allotment garden and the matter was ‘shelved’.

4.2 Over time, the position regarding the likelihood of flooding has been clarified, Welsh Government approval has been forthcoming, and the site actively reconsidered; Officers have identified a need for affordable housing and a proposal for the site is being worked up with UWHA.

4.3 Policy Context

4.3.1 There is a significant need for affordable housing across the County Borough. Policy CW11 of the Local Development Plan (LDP) sets Affordable Housing Targets throughout Caerphilly County Borough, ranging from 40% in the higher viability area around Caerphilly Basin, to 0% in the Heads of the Valleys Regeneration Area (HOVRA). Economic indicators and housing need have influenced these targets.

- 4.3.2 Members will be aware that Welsh Government has set a target of delivering 20,000 additional affordable homes in Wales by 2020.
- 4.3.3 An operational housing requirement for the provision of affordable housing has been identified; the housing waiting list data for the Llanbradach area demonstrates that there is housing demand in this area. The 2015 Local Housing Market Assessment identifies a shortfall throughout the County Borough of 526 affordable homes per annum. It also identifies a high number of households who are living in unsuitable housing because their accommodation no longer meets their requirements arising from disabilities, medical conditions or old age.
- 4.3.4 Members will recall that the Council's currently zoned housing association partners are UWHA, operating in the western valley and Pobl, operating in the eastern valleys. As this site falls within the area zoned for UWHA, it is the Council's partner for this scheme.
- 4.3.5 UWHA wants to progress a scheme on the council-owned land, which controls the access to the site but is also in discussions with the owners of the private land to the south to either undertake a comprehensive redevelopment, or redevelop as a second phase.
- 4.3.6 UWHA will prepare a scheme in consultation with relevant officers to identify a mix of properties that addresses the needs identified within the Council's Housing register. Other benefits that UWHA can bring are the emphasis on sustainable construction including Code for Sustainable Homes Level 3+ and Targeted Recruitment and Training (TR&T).
- 4.3.7 The Protocol for Disposal of Property states, at paragraph 8.1(iv), that in those cases where it is possible to market a property but the Head of Property is of the opinion that this course of action may not be in the best financial or service interests of the Authority, Cabinet approval will be obtained before direct negotiations are opened with a single party, and the views of ward members will be taken into consideration.

4.4 **The Planning Perspective**

- 4.4.1 The site in question lies within the settlement boundary of Llanbradach, as defined in the Adopted Caerphilly County Borough Local Development Plan up to 2021(LDP). The settlement boundary defines the area within which development would normally be acceptable subject to all relevant policy considerations and all other development management considerations.
 - 4.4.2 Policy SP6 of the LDP requires development proposals to 'contribute to creating sustainable places by having full regard to the context of the local, natural, historic and built environment'.
 - 4.4.3 A shortfall in affordable housing is a significant issue facing residents in the county borough. In this context Policy SP15 seeks to deliver at least 964 affordable houses through the planning system up to 2021.
 - 4.4.4 In summary, officers consider that the release of this site for residential development is acceptable in principle, subject to all relevant policy considerations and all other development management considerations that will be dealt with at the Planning Application stage.
- 4.5 During consultation, Ward Members were keen, initially, to achieve an 'In-Out' scheme using two access points along Plasturtwyn Terrace. However, in terms of highway safety the northern access, with one footpath that will also allow for vehicles being parked on the opposite side to the pavement, is considered most suitable to serve the whole site, without a

secondary access; Ward Members have accepted this proposition, although Cllr Mann still has strong reservations about it as he feels the access is sub-standard and not in the best interests of either residents of the immediate area or people travelling through the area. This is a matter to be determined as part of the Planning process, not the sale of the land.

- 4.6 Pursuant to section 123 of the Local Government Act 1972, disposal of public open space requires that an advertisement be placed in a newspaper circulating in the area, for two consecutive weeks; in this instance advertisements were placed in 'The Campaign' on 26th July and 2nd August 2017.
By the deadline for responses (noon on 17th August 2017) no objections had been received.
- 4.7 In the event that Cabinet endorses the recommendation in paragraph 10.1.1 and UWHA is unable to proceed at market value (because its total cost of development, including land acquisition and build cost, is limited by Welsh Government regulations), a further report will be brought forward setting out options for members' consideration.
- 4.8 Paragraphs 4.3 to 4.6 (inclusive) are equally applicable to the second option open to the Council, that of offering the site for sale on the open market. In this scenario, however, it is possible to address the question of the land necessary to fulfil local residents' interest in purchasing part of the land for the purpose of garages and parking since the site boundary can be appropriately modified with a necessary adjustment factor to the capital receipt. In the alternative, if an "open market" sale is endorsed, Officers will attempt to maximise replacement off-street parking although such work may be less collaborative (see 4.14.1).
- 4.9 As noted in paragraph 4.1 above, there is adjoining land held in private title that can only be accessed for development through the land in council ownership. It is referenced in paragraph 4.3.5 above that UWHA is also in discussions with the owners of the private land to the south to either undertake a comprehensive redevelopment, or redevelop as a second phase; although the negotiations undertaken to date have proved abortive, in the event that there is only a deal to sell the council-owned land, steps will be taken (by way of the retention of a ransom strip) to protect the council's future financial interest.
- 4.10 In reply to the consultation, the Clerk to Llanbradach and Pwllypant Community Council has advised that they would prefer the land to go to UWHA Housing Association, with the scheme including an element of shared ownership.
Cllr Mann endorses this preference.
- 4.11 Cllr Gough has also stated a preference for a disposal to UWHA, turning to a market sale if terms cannot be agreed. He also asks that the disposal is conditioned so that, whoever develops the site, both a parking provision for the residents of Plasturtwyn Terrace and the access arrangements referenced in paragraph 4.5 above are enforceable.
- 4.12 From a Housing Strategy point of view, the Chief Housing Officer strongly favours recommendation 10.1.1 for the following reasons:
- i. Officers have been working in partnership with UWHA for several years in relation to this site. Originally the then Environment Agency had concerns relating to development of the site with reference to flooding matters. UWHA and the Council have worked in partnership to address the concerns by undertaking a Flooding Consequence Assessment, which detailed mitigation measures that should, if put in place, be agreeable to development in the future.
 - ii. UWHA has considered layouts for the site in partnership with Housing Officers that consider housing need and go towards meeting the 20,000 affordable homes target set by Welsh Government; those layouts also include replacement of the existing informal off street parking as well as additional spaces for the existing residents in the area, located adjoining the adopted rear access lane.
 - iii. This option will probably result in a higher level of affordable housing provision, than that provided by the alternative option of market sale of the site.

- iv. If Recommendation 10.1.2 is adopted, the developable part of the site for housing will be smaller, to allow for the garages / parking for existing residents; this will probably result in less affordable housing being developed in relation to the 40% requirement under the SPG.
- v. The Chief Housing Officer is also concerned that a purchaser might then “land bank” the asset, before selling it on to a Housing Association at a profit, resulting in Housing Strategy providing additional Social Housing Grant to enable the resultant higher-cost development to be viable.

4.13 Prior to the advertisement referred to in paragraph 4.6 above, a petition had been received, signed by 24 local residents, registering an interest in purchasing part of the land for the purpose of garages and parking.

4.14 This request has been considered; access for the proposed development will be between 27 & 28 Plasturtwyn Terrace, which is currently used for off-street parking.

4.14.1 If Recommendation 10.1.1 is endorsed UWHA will provide replacement parking, as noted above in paragraph 4.12ii, but it is not possible to sell land to the residents without compromising the current scheme.

4.14.2 If Recommendation 10.1.2 is endorsed, the developable part of the site for housing will be smaller, to allow for the garages / parking for existing residents. However, it must be noted that, whilst residents have expressed an interest in purchasing part of the land for the purpose of garages and parking, that interest may not be translated into sales, and the council could be left with maintenance obligations and liabilities for a narrow strip of land on which residents simply park.

In the alternative, Officers can work with the purchaser seeking to maximise replacement off-street parking.

Either will result in a reduced capital receipt, the amount of which cannot be quantified at the moment.

5. WELL-BEING OF FUTURE GENERATIONS

5.1 Option 1 (a direct sale to UWHA) contributes to the Well-being Goals as set out in Links to Strategy above. The scheme is also consistent with the five ways of working set out in the sustainable development principle, as defined in the Act. The scheme is integrated in that it contributes to a number of the Well-being goals and supports the objectives of other stakeholders within the community. Implementation of the scheme exemplifies collaboration across organisational boundaries; working together for the good of our communities in pursuit of shared objectives.

RSLs, as developers, generally take a longer view, protecting (as far as possible) and improving the local environment and infrastructure for the future. Other benefits that RSLs can bring are an emphasis on sustainable construction including Code for Sustainable Homes Level 3+, and Targeted Recruitment and Training that will enhance employment prospects and skills of local people, particularly the young and those at a disadvantage, and promote equality of opportunity.

5.2 Whilst it is not implied that Option 2 (a market-led sale) will neither contribute to the Well-being Goals as set out in Links to Strategy above, nor be inconsistent with the five ways of working set out in the sustainable development principle, as defined in the Act, it is suggested there may be difficulties in policing such compliance. It must be noted that the driving force for private sector developers is, of course, profit.

6. EQUALITIES IMPLICATIONS

- 6.1 An Equalities Impact Assessment (EqIA) screening has been completed in accordance with the Council's Equalities Consultation and Monitoring Guidance and no potential for unlawful discrimination and / or low level or minor negative impact have been identified, therefore a full EqIA has not been carried out.

7. FINANCIAL IMPLICATIONS

- 7.1 A capital receipt will be received from the sale of this land. The value of that receipt under either option is expected to be broadly comparable although there are, currently, too many variables to assess effectively any likely variations.

8. PERSONNEL IMPLICATIONS

- 8.1 There are no personnel implications arising out of this report.

9. CONSULTATIONS

- 9.1 Residents submitted a petition registering an interest in purchasing part of the land for the purpose of garages and parking; for the reasons given in the report, this interest could not be pursued if Cabinet endorse recommendation 10.1.1 although Officers, working collaboratively, will seek to maximise replacement off-street parking.
- 9.2 Disposal of public open space requires an advertisement to be placed in a newspaper circulating in the area, for two consecutive weeks (26th July and 2nd August 2017). Ward members were advised of the proposed sale, as was Llanbradach and Pwllypant Community Council. Officers are content that the rules on consultation have been observed.
- 9.3 Llanbradach and Pwllypant Community Council has expressed a preference for the land to go to UWHA, with the scheme including an element of shared ownership. Cllr Mann endorses this preference.
- 9.4 Cllr Gough has also stated a preference for a disposal to UWHA, turning to a market sale if terms cannot be agreed.
- 9.5 Notwithstanding his endorsement of Recommendation 10.1.1, Cllr Mann still has strong reservations about the access as he feels it is sub-standard and not in the best interests of either residents of the immediate area or people travelling through the area; however, this is a matter to be determined as part of the Planning process, not the sale of the land.
- 9.6 The Chief Housing Officer has also expressed a preference for the land to go to UWHA, for a scheme that considers housing need and goes further towards meeting the 20,000 affordable homes target set by Welsh Government than would a market sale.
- 9.7 There are no other views expressed as a result of consultation that conflict with the recommendation.

10. RECOMMENDATIONS

- 10.1 That cabinet consider and choose between the two available options: that either
- 10.1.1 the land shown edged black on the plan attached at Appendix 1 is transferred save for an area representing a ransom strip to be identified by the Interim Head of Property, on terms to be agreed, to UWHA for the development of affordable housing, on terms to be negotiated, or

10.1.2 the land shown edged black on the plan attached at Appendix 1 save for an area representing a ransom strip to be identified by the Interim Head of Property is offered for sale on the open market subject to the provision of affordable housing in line with the requirements of the Adopted Caerphilly County Borough Local Development Plan up to 2021 and the provisions of Supplementary Planning Guidance LDP1 – Affordable Housing Obligations July 2017.

10.2 That, whichever option is approved, officers ensure that parking provision for the residents of Plasturtwyn Terrace is provided within the development site.

10.3 That approval of the detailed terms of either the transfer pursuant to 10.1.1 or the disposal pursuant to 10.1.2 is delegated to the Interim Head of Property Services in conjunction with the Cabinet Member for Homes and Places.

11. REASONS FOR THE RECOMMENDATIONS

11.1 The asset is surplus to the Council's operational requirements.

11.2 There are two options open to cabinet, both of which are expected to generate a capital receipt:

11.1.1 An affordable housing scheme that meets with the needs identified within both the Council's Local Housing Market Assessment and the Housing register.

11.1.2 A market-led sale that will comply with the Adopted Caerphilly County Borough Local Development Plan up to 2021 and the provisions of Supplementary Planning Guidance LDP1 – Affordable Housing Obligations July 2017.

11.3 If cabinet is minded to pursue Option 1, paragraph 8.1(iv) of the Disposal Procedure in Part 4 of the Council's Constitution states that Cabinet approval will be obtained before direct negotiations are opened with a single party where it is possible to market a property but where the Head of Property Services is of the opinion that this course of action may not be in the best financial or service interests of the Authority.

12. STATUTORY POWER

12.1 Local Government Acts 1972 and 2000, and The Local Government Act 1972: General Disposal Consent (Wales) 2003. This is a Cabinet Function.

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Appendices:

Appendix 1 Plan showing the land

