



SPECIAL HOUSING AND REGENERATION SCRUTINY COMMITTEE – 10TH FEBRUARY 2022

**SUBJECT: PROPOSED RE-DEVELOPMENT OF THE FORMER TY
DARRAN CARE HOME, RISCA**

REPORT BY: CORPORATE DIRECTOR OF SOCIAL SERVICES AND HOUSING

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to outline the proposed Caerphilly Homes development opportunity at the former Ty Darran care home site and seek approval in principle to develop the site as an innovative later living scheme for people.
- 1.2 Subject to confirmation from the District Valuer approval is sought to appropriate the site from the General Fund into the HRA prior to the end of the financial year 21/22 so that Social Housing Grant can be drawn down from Welsh Government to part fund the acquisition. The valuation from the District Valuer is not expected until early February.
- 1.3 The report is seeking the views of the Housing and Regeneration Scrutiny Committee prior to final, in principle approval from Cabinet.

2. SUMMARY

- 2.1 The Ty Darran residential care home in Risca, closed in 2010 and the re-development of the site has been delayed pending improvements to adjacent river flood defences which have now been completed. The traditionally constructed building remains in place and the building envelope is in reasonable condition however, internally the condition of the building is poor.
- 2.2 In early 2020, the Council began discussions with the Aneurin Bevan University Health Board (ABUHB) about the possible redevelopment of the site in conjunction with a site adjacent to Ty Darran currently occupied by Risca Health Centre; with the intention of creating a combined residential / health hub.
- 2.3 To assist with these discussions, Caerphilly Homes appointed Pentan Architectural Consultants, based in Cardiff via a Welsh Procurement Alliance (WPA) framework to help develop a new and exciting residential, later living offer for the Ty Darran site.

- 2.4 Pentan Architectural Consultancy have been a critical partner in helping to facilitate discussions with the ABUHB and also in working collaboratively to influence the evolution of the scheme design.
- 2.5 Unfortunately, discussions came to a close with the ABUHB when it became apparent that the timelines that the ABUHB and Caerphilly Homes were working to were not aligned. As a result, Caerphilly Homes moved forward in spring 2021 to examine the viability of the Ty Darran site and its development potential without the involvement of the ABUHB.
- 2.6 Caerphilly Homes are planning to decommission Waunfawr House (Crosskeys), St Mary's Court (Risca) and Castle Court (Crosskeys). As a result, 47 tenant households from these schemes are currently waiting to move into the new 'later living' accommodation scheduled to be built at Ty Darran.
- 2.7 The Ty Darran site currently falls within the Council's General Fund hence, Caerphilly Homes will need to purchase the site at the value determined by the District Valuer and appropriate it into the HRA. A valuation has been sought and is expected to be received mid-February.
- 2.8 The valuation of the site is critical to ensuring the draw-down of SHG (Social Housing Grant) by the end of the financial year 21/22 to part fund the appropriation of the site from the General Fund to the HRA.
- 2.9 In addition, securing outline planning permission is also a condition of drawing down SHG for the appropriation of the site. An outline planning application was submitted on 15th December 2021 and a formal response is awaited.
- 2.10 The Ty Darran outline planning application is scheduled to be considered by Planning Committee on the 23rd March 2022.
- 2.11 Caerphilly Homes' intention is, subject to outline planning permission being granted, to submit a reserved matters planning application in summer 2022. This will be pre-empted by a report to Scrutiny and Cabinet which provide the full detail on the proposed scheme and a detailed cost plan.

3. RECOMMENDATIONS

- 3.1 Members consider the content of the report and support the development by Caerphilly Homes of the former Ty Darran site in principle, subject to the receipt and presentation of a satisfactory cost plan which will be available in early summer 2022.
- 3.2 Members support a decision to appropriate the site from the general fund to the HRA in principle at the cost to be determined by the District Valuer. The revised valuation is expected to be received early February 2022.
- 3.3 Members support the proposal to move to the next stage of the project in order to determine the most suitable procurement route for the detailed design and construction phase of the project.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 To ensure that tenants currently occupying Waunfawr House (Crosskeys), St Mary's

Court (Risca) and Castle Court (Crosskeys) are accommodated as per the commitment made to tenants following Cabinet in September 2018.

- 4.2 To deliver the Council's ambition of building 400 new affordable, zero carbon homes by 2025.
- 4.3 To meet an ever-increasing need for affordable homes in Caerphilly County Borough, as identified through the Local Housing Market Assessment process, whilst also supporting the foundational and circular economies, creating great places, mitigating the impact of climate change, addressing fuel poverty and creating a new housing led economic catalyst.
- 4.4 To contribute towards the Welsh Government target of delivering 20,000 affordable low carbon homes by 2026.
- 4.5 To mitigate the impact of climate change and meet the Council's commitments contained in its Decarbonisation Strategy.

5. THE REPORT

- 5.1 In September 2018, Cabinet approved the recommendations contained within a report entitled Remodelling and Reclassification of Older Persons Accommodation. The report set out the future of older persons' accommodation within the county borough and noted that Waunfawr House (Crosskeys), St Mary's Court (Risca) and Castle Court (Crosskeys) would be decommissioned and that they would not benefit from WHQS improvements.
- 5.2 The costs of remodelling the schemes were deemed to be prohibitive and as a result, the report noted that consideration could be given to developing a new build replacement sheltered housing scheme on an alternative identified site in the same locality e.g. Ty Darran. Such a scheme was considered to be a good long-term investment as it would provide a modern facility meeting the aspirations of current and future tenants. It would incorporate appropriate accommodation and accessibility standards with up-to-date technology and also be designed to provide flexibility in order to adapt to changing needs and demands. At the time it was 'anticipated this could be a joint venture with Health and Social Services to provide a community hub approach'.
- 5.3 It was also noted in the report that 'a commitment could be given to rehousing the displaced tenants to the new scheme giving them the opportunity to remain in their existing community'. At the time of the report in September 2018, there were 69 tenants that were likely to be displaced as a result of the schemes being decommissioned. There are currently 47 tenant households in the three schemes awaiting transfer to the new Ty Darran later living development.
- 5.4 In January 2020, following the establishment of a dedicated Strategy and Development team within Caerphilly Homes, Pentan Architects were appointed via the WPA to assist with the undertaking of a comprehensive feasibility study and development appraisal of the former Ty Darran care home site in order to determine a suite of design options which would indicate the likely number of homes and the layout that could be accommodated. Pentan were commissioned to undertake an initial feasibility study (RIBA stages 0-2) followed by a more detailed development appraisal which would take the project up to the submission of a planning application (RIBA stage 3).

- 5.5 At the time, the ABUHB agreed to part fund the cost of the commission on the basis that the options for the Ty Darran site and the adjacent Risca Health Centre would be explored on the basis of the two sites combined with a view to creating a collaborative residential/health hub.
- 5.6 Despite efforts on the part of both the ABUHB and Caerphilly Homes to agree a joint proposal it became apparent in March 2021 that the two organisations were working to different service configuration timelines and priorities. As a result, it was agreed that Caerphilly Homes would explore with Pentan Architects the development options in relation to the former Ty Darran care home site only.
- 5.7 By March 2021, Pentan Architects had undertaken a substantial amount of work to identify the constraints on the site and had determined that because of the existing culvert running along the north eastern boundary, the major sewer running through the site, and the existing flood zone in the south east corner of the site, 40% of the potential developable area was undevelopable.
- 5.8 These constraints have impacted upon the number of homes that can be accommodated within a new development and have influenced the evolving layout and emerging SuDS strategy.
- 5.9 At the outset of the project, Caerphilly Homes were very clear in relation to their ambitions for the re-development of the site and mandated in the contract awarded to Pentan the following:
- A flagship, later living development (60+ although there could be exceptions to this on medical grounds) which would set the standard for future provision of older person's accommodation.
 - Minimum of 40 homes.
 - Apartments should exceed minimum space standards and offer flexible accommodation to accommodate working from home, overnight stays, hobbies etc.
 - The buildings should utilise MMC (Modern Methods of Construction) and a fabric first approach to achieve net zero carbon.
 - Take into account and facilitate independent living and cohesion with the existing community.
 - Include bright and spacious communal areas that will also encourage use by the local community and intergenerational activities.
 - Include space that is flexible enough to accommodate community events and additional services that could be provided (i.e. a community café, drop-in surgeries etc).
 - High quality, accessible outdoor amenity space and communal allotments.
 - Adequate parking, ease of access and accessibility taking into consideration Lifetime Homes' principles.
- 5.10 The design of the buildings and surrounding environment will be unlike any similar provision offered within the county borough. The scheme has evolved to consider all of the above and has been designed to set the standard and the ambition for Caerphilly Homes' later living accommodation in the borough.
- 5.11 The site currently falls within the Council's General Fund and will need to be appropriated to the HRA. Caerphilly Homes are seeking Social Housing Grant (SHG) from Welsh Government to part fund the acquisition. In order to claim SHG for this

purpose, outline planning approval has to be secured and a valuation by the District Valuer received and agreed by the end of March 2022.

- 5.12 Outline planning permission (with landscape, appearance and scale reserved) was submitted on 15th December 2021 and a response to the application is expected shortly. Planning Committee is scheduled for the 23rd March 2022.
- 5.13 The District Valuer is in the process of undertaking a valuation of the site and the outcome is expected by early February 2022.

Conclusion

- 5.14 There are a number of critical timeline issues directly impacting upon Caerphilly Homes' ability to move this site forward and to draw down SHG.
- 5.15 The SHG is for acquisition funding and has to be drawn down by 31 March 2022. It will part fund the appropriation of the site from the General Fund to the HRA.
- 5.16 To meet the 31 March 2022 deadline, Caerphilly Homes require receipt of the valuation undertaken by the District Valuer (expected early February), a Cabinet approval to appropriate the site and outline planning permission.
- 5.17 It is important to note that the application for outline planning permission with matters reserved means that the design, access and place making aspects of the scheme are all 'reserved' for later determination and have yet to be finalised. There is still flexibility to discuss options relating to the scheme before the proposals are finalised and the reserved matters submitted in early summer 2022. Caerphilly Homes intends to engage potential residents in an initial discussion in the first instance shortly.
- 5.18 Cabinet is scheduled for the 23rd February 2022. Hence, the timelines for receipt of the valuation and the decision from the Local Planning Authority are extremely tight.
- 5.19 Pending approval, Caerphilly Homes intend to work closely with colleagues in Procurement to extend the contract with Pentan Architectural Consultancy; determine a construction procurement route and explore with specialists the technological and material options available to develop a net zero carbon, non-combustible, flagship, care ready, later living development.

6. ASSUMPTIONS

- 6.1 There are a number of assumptions that are pertinent to the report:
 - 1) That outline planning permission will be secured.
 - 2) The valuation from the District Valuer will be received early February.
 - 3) The deadline and conditions for SHG drawn down will be met.

7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

- 7.1 To be completed when the detailed report is brought forward together with the cost plan in summer 2022.

8. FINANCIAL IMPLICATIONS

- 8.1 The redevelopment of Ty Darran is included within the HRA business plan and also the Programme Development Plan (PDP) prepared by the Council, which identifies SHG allocations for both the Council and housing associations. The appropriation of the site from the General Fund to the HRA is identified for 21/22 in the PDP as acquisition funding.
- 8.2 SHG funding is also indicatively identified in the PDP for the construction phase but is subject to change pending determination of a construction method and a detailed cost plan.

9. PERSONNEL IMPLICATIONS

- 9.1 There are no personnel implications arising from the report.

10. CONSULTATIONS

- 10.1 Comments received as a result of consultation are reflected in the report.
- 10.2 Comments received from ward members are included in Appendix 1.

11. STATUTORY POWER

- 11.1 Local Government Act 1972, Housing Wales Act 2014

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Cllr M Adams, Vice Chair Housing & Regeneration Scrutiny Committee
Cllr Shane Cook, Cabinet Member for Social Services & Housing
Cllr Philippa Marsden, Leader
Cllr Bob Owen, Ward Member – Risca West
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Chris Boardman, Development Manager

Mark Noakes, Development Manager

Mark Jennings, Principal Housing Strategy Officer

Lesley Allen, Principal Group Accountant (Housing)

Appendix 1 – Comments from Risca West Ward Members

Comments have been received from Risca West ward members who are both supportive of the re-development of the former Ty Darran care home site by Caerphilly Homes for later living accommodation.

Members have requested that the design is sympathetic to the surrounding area and that access to and from the site is considered.

Members raised concerns with regard to the timescales that have to be met to draw down SHG.

A query was raised as to whether ward members can be involved in the procurement of the construction partner. The ward member has been advised that the Strategy & Development Team will be guided by advice from Procurement and Legal colleagues.

Ward members have requested that they are regularly appraised of progress.