



CABINET - 26TH NOVEMBER 2014

SUBJECT: LAND AT RIVERSIDE WALK, DERI

REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES AND SECTION 151 OFFICER

1. PURPOSE OF REPORT

- 1.1 To seek Cabinet approval to the principle of disposing of land at Riverside Walk (the former Concrete Works), Deri to United Welsh Housing Association (UW) on terms to be negotiated.

2. LINKS TO STRATEGY

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

“To 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*)

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

“To 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*)

“To 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. THE REPORT

- 3.1 The site is the former concrete works Deri that was purchased and remediated by the local authority in April 1996. The site has been declared surplus to requirements and is currently held by Property Services, pending disposal. There is a Welsh Government claw back on the land.
- 3.2 An operational housing use for the land has been identified at this site for the provision of affordable housing; the housing waiting list data for the Deri area demonstrates that there is housing demand in this area. The 2012 update of the Local Housing Market Assessment identifies a shortfall throughout the County Borough of 530 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.

- 3.3 As there is a housing need in this area of the County Borough, Policy CW 11 (Affordable Housing) of the Council's Local Development Plan will apply to this site, as it is capable of being developed for 5 or more dwellings. Subject to viability of the development, any developer will be under an obligation to provide an element of affordable housing as part of its development. However, if the land is sold to UWHA, 100% affordable housing will be achieved.
- 3.4 Under the Welsh Government's Social Housing Grant funding programme, Housing Associations are zoned to operate in specific local authority areas for affordable housing development. There are four zoned housing associations within Caerphilly. These are
- United Welsh Housing Association,
 - Seren Group,
 - Linc Cymru, and
 - Wales and West Housing Association.
- 3.5 Wales and West Housing Association and Linc Cymru have chosen not to work in partnership with the Council on the Council's affordable housing development programmes. As such, the Council's currently zoned housing association partners are United Welsh, operating in the western valley and Seren, operating in the eastern valleys. As this site falls within the area zoned for United Welsh, it is the Council's partner for this scheme.
- 3.6 UW 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 UW can bring are the emphasis on sustainable construction including Code for Sustainable Homes Level 3+ and Targeted Recruitment and Training (TR&T).
- 3.7 The development is intended to be tenure neutral, which will have no defined tenure for the units and will allow applicants to choose to rent or purchase an equity share in the properties as Low Cost Home Ownership to create a more sustainable community.
- 3.8 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.
- 3.9 In the event that UW 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. EQUALITIES IMPLICATIONS

- 4.1 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.

5. FINANCIAL IMPLICATIONS

- 5.1 A capital receipt will be received from the sale of this land; however, the net receipt will be clawed back by the Welsh Government subject to the deduction of the main road infrastructure.

6. PERSONNEL IMPLICATIONS

6.1 There are no personnel implications arising out of this report.

7. CONSULTATIONS

7.1 There are no views expressed as a result of consultation that differ from the recommendation.

8. RECOMMENDATIONS

8.1 That land at Riverside Walk, Deri be sold to United Welsh Housing Association for the development of affordable housing, on terms to be negotiated.

8.2 Approval of the detailed terms of the disposal be delegated to the Head of Performance and Property Services, for the purposes identified in the report, but subject to WG approval in light of the claw back.

9. REASONS FOR THE RECOMMENDATIONS

9.1 The asset is surplus to the operational requirements of Caerphilly CBC.

9.2 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 Performance and Property Services is of the opinion that this course of action may not be in the best financial or service interests of the Authority.

9.3 To deliver an affordable housing scheme that meets with the needs identified within the Council's Local Housing Market Assessment and Housing register.

10. STATUTORY POWER

10.1 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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Cllr D Hardacre - Cabinet Member for Performance and Asset Management and Ward Member

Cllr G Jones - Deputy Leader and Cabinet Member for Housing

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Background Papers:

Property file 4063 can be inspected at Tredomen House

Appendices:

Appendix 1 Plan showing the land