



CABINET- 25TH NOVEMBER 2020

**SUBJECT: DISPOSAL OF LAND AT CRESCENT RD CAR PARK,
CAERPHILLY**

REPORT BY: INTERIM CORPORATE DIRECTOR - COMMUNITIES

1. PURPOSE OF REPORT

- 1.1 This report recommends the sale of land at Crescent Rd car park, Caerphilly to developers in order to facilitate the development of a residential scheme aimed at the over 55's at the derelict Llys Ifor site. The development will include a mixture of one and two bedded flats plus a coach drivers rest/welfare facility and space for retail/restaurant use on the ground floor. The land requested to be released comprises circa 268m².

2. SUMMARY

- 2.1 This report requests Cabinet approval to release council owned land located at the eastern edge of Crescent Rd car park Caerphilly (See Appendix 1), to developers who own adjacent land at Llys Ifor. They require the land to accommodate sufficient car parking to allow the proposed development at Llys Ifor to proceed.
- 2.2 The current owners of the Llys Ifor building wish to demolish it and replace it with a new open market sale older persons housing development. Through discussions with the Council, the developer is prepared to provide a small coach drivers' facility in the new complex and possibly space for an A3 café/retail on the ground floor of the development, facing the castle.
- 2.3 The developer is keen to proceed with this development but require the Council owned land in order to provide the necessary car parking associated with the scheme

3. RECOMMENDATIONS

- 3.1 That Cabinet:
- i) Approve the disposal of land (268m²) at the eastern edge of Crescent Rd car park Caerphilly to accommodate the wider re-development of the Llys Ifor building. (See Appendix 1)

- ii) Approve that detailed terms of disposal be delegated to the Head of Property Services and the Head of Regeneration and Planning in conjunction with the Cabinet Member for Environment and Infrastructure.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 The land requested by the developer comprises the site of the former recycling bins plus 6 car parking spaces. The recycling bins have been removed so this area is currently underutilised.
- 4.2 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 Property Service is of the opinion that this course of action may not be in the best financial or service interests of the Authority
- 4.3 The disposal will help unlock a site for residential development and will bolster the town's visitor economy through the provision of a coach drivers' facility and possibly an A3 café on the edge of Crescent Road Car Park and close to Caerphilly Castle.

5. THE REPORT

Background

- 5.1 Llys Ifor is an office building located at the entrance to Crescent Road car park, Caerphilly. It has stood empty for over 6 years and even though it is being marketed by local commercial letting agents there has been little or no interest in it for commercial use.
- 5.2 The site has in the past been investigated for social rented accommodation, but the new owner now wishes to demolish the current empty building and build a 4 storey 29 unit (mix of one and two bed) residential development aimed at open market sale to over 55's.
- 5.3 Initial discussions have taken place between the developer with the Council's Planning, Housing and Regeneration Departments. Through the formal planning pre-application process and wider discussion, it has also been established that the scheme will require circa 14 no. car parking spaces to comply with the Council's current car parking guidance for this type of development. In order to accommodate this number of car parking spaces the developer has informally approached the Council to request that land in the adjacent council owned Crescent Rd car park be sold to them.
- 5.4 In separate discussions with the Council's Regeneration Department, the developer has discussed providing facilities within the Llys Ifor development that are aimed at bolstering the visitor offer within the town centre. The most recent plans submitted to the Local Planning Authority provide for a coach drivers welfare facility within the new scheme. An A3 café on the north eastern corner of the ground floor of the development. is also being discussed.
- 5.5 The Council's Housing Department concluded at the time of planning pre-app that there was insufficient evidence to support a 100% social housing older persons scheme at this site. Their primary evidence base (2018 Local Housing Market Assessment) did not support the need for more older persons' housing. They informed

the zoned HA's that they would not support the scheme for social housing but that they would re-evaluate this decision once an analysis of lettings to Cwrt Pen Capel (former Magistrates Court) had been completed and the LHMA had been revised. Linc Cymru did then investigate the option of changing the scheme to single persons but found that this didn't stack up – one of the reasons being that it wouldn't have been able to comply with car parking requirements, which would be greater than for older persons.

- 5.6 The owner now wishes to pursue an open market sales development for older persons without the input of any registered social landlord and has recently submitted a planning application to this effect.
- 5.7 It is worth noting that Cadw have developed a masterplan for Caerphilly Castle and are looking to invest heavily over the next 3-5 years to elevate the Castle to a Tier One tourist attraction. Their goal is to double visitor numbers and officers are currently working with them to ensure that the infrastructure of the town will be able to accommodate this increase and that the town itself offers opportunities for visitors to extend their visit. The facilities proposed in this development on the ground floor will help towards improving the visitor offer and attracting more visitors by coach.

Current Position

- 5.8 The developer has now submitted a full planning application for this scheme and is now requesting that they can acquire sufficient land from the Council to accommodate 14 no. car parking spaces.
- 5.9 The land that the developer has expressed an interest in is shown in more detail at Appendix 1. It comprises the following:
- the site of the former local recycling facility, which is now laying dormant; and
 - 6 no. car parking spaces at the north eastern edge of the Crescent Rd car park.
- 5.10 The Council's Head of Infrastructure has agreed in principle to the release of this land and the associated loss of car parking, whilst Property Services have established that there is no operational requirement for this land from any other Council Service Area.
- 5.11 CCBC Housing would still consider social housing at this site if it could satisfy car parking requirements. However, they would need to carry out another assessment, because the current assessment looks at the need for older persons' provision and not general needs. They would have to look at this in the wider context and would need to look at the combined effect of all other social housing development being planned in and around Caerphilly town centre. It is worth noting that in order to accommodate general needs social housing then more of the council owned car park would be required to accommodate the necessary additional parking requirements. As outlined above the owner is keen to proceed with a private development and not work with the zoned housing associations at this moment in time.
- 5.12 There is a recognition within the Council's Regeneration Strategy that our town centres need to diversify to keep them vibrant and resilient to external pressures, such as the current demise of on-street retailing and the impact of Covid 19. The additional footfall in the town centre brought about by this development will help with footfall and local spend in town centre businesses.
- 5.13 The provision of a coach drivers' facility and possibly an A3 café will help to diversify the town centre and will bolster the visitor economy in and around Caerphilly Castle.

Cadw and the Council have been searching for ways to deliver a coach drivers' rest / welfare facility for some time. This facility is necessary to attract more coach parties and receive the "coach friendly town" accreditation. It will complement the proposed coach drop off points near the Castle entrance and collectively these interventions will help attract a larger coach market to the town.

- 5.14 The developer will not look to manage the coach drivers' facility or the café, even though they will own the freehold interest in the property. The café space, if taken forward will be leased out whilst the management responsibility for the coach drivers' facility will rest with the Council through a licence/lease agreement. The details of this arrangement are yet to be finalised. Maintenance of the facility will be covered off from within the Regeneration Department's revenue budget.
- 5.15 The site is not designated or allocated for any specific use within the adopted LDP. Caerphilly is defined as the Principal Town Centre in the Southern Connections Corridor in the LDP. It accommodates major retailers, employers, providers of services, such as banks, building societies, the town library and also provides the main hospitality and shopping provision for visitors to the area. It has a unique tourism offer which helps to drive visitor footfall to the town centre.
- 5.16 Caerphilly has been identified as a strategic hub for growth and this scheme will help the town centre diversify. This is particularly relevant with Covid and the realisation that town centres can no longer rely on a retail offer. This is a key principle of the emerging Caerphilly 2035 Place Plan for Caerphilly and the adopted Caerphilly Basin Masterplan as is the desire to improve the visitor offer within the town.

Next Steps

- 5.17 The report recommends that the detailed terms of disposal be delegated to the Head of Property Services and the Head of Regeneration and Planning in conjunction with the Cabinet Member for Environment and Infrastructure. If the principle of accommodating this development through the sale of Council land is endorsed by Cabinet, the Council's Property Services Section will lead on negotiations with the developer to agree acceptable terms for the disposal of the land. The developer has indicated that they are willing to build the coach drivers' welfare facility in lieu of paying a capital receipt for the land. This option will be explored further but may not be palatable to the Council.
- 5.18 Through consultation on this proposal a local elected Member has voiced some concerns about the development being aimed at open market sales for the over 55's. Although they support the creation of a coach drivers facility and café which will help to improve opportunities for visitor access to the town and add value to their overall experience, they believe specifying over 55's for open market sale does not address the issues the Council has with the demand for young single persons accommodation in the Caerphilly basin area.

Conclusion

- 5.19 This land disposal will aid residential development in the heart of the town, helping it diversify and become more resilient to external economic factors that are forcing towns to reimagine themselves. The scheme will also help bolster the visitor economy.

6. **ASSUMPTIONS**

- 6.1 It is assumed that the loss of 6 no. car parking spaces at Crescent Rd will not have a detrimental effect on the overall car parking provision there. The car park has 184 spaces in total so the loss of circa 3% of the spaces and £1500 per annum revenue will be manageable.

7. **LINKS TO RELEVANT COUNCIL POLICIES**

- 7.1 The proposal is relevant to the following council's policies:

7.2 **Corporate Plan 2018-2023.**

The report recommendations contribute towards or impacts predominantly on the following Corporate Well-being Objectives:

Objective 2 - Enabling employment.

Objective 3 - Address the supply, condition and sustainability of homes throughout the county borough.

Objective 6 - Support citizens to remain independent and improve their well-being

7.3 **Caerphilly County Borough Local Development Plan up to 2021:**

The proposal also aligns with the key aims within the Council's LDP, specifically:

Developing the prosperity of our Principal town centres.

Identifying opportunities for new housing in areas of demand.

To increase the economic prosperity of the people and communities of the County Borough.

7.4 **A Foundation for Success 2018-2023:**

The proposal contributes towards the following key priorities of the Council's Regeneration Strategy - A Foundation for Success:

Priority SQL5: Improve the delivery of new housing and diversify housing across all tenures.

Priority SQL7: Refocus on town centres to serve the needs of residents and business.

Priority SQL4: Maximise the tourism potential of the County Borough to become an established tourism destination.

Priority SB1: Building a more resilient & diversified economy – supporting the growth of local companies.

Priority CCP3: Promote place-making development around key transport hubs and nodes – promote economic development at key locations on the transport network to realise significant place making change.

8. WELL-BEING OF FUTURE GENERATIONS

8.1 The proposals outlined in this report contribute to the Well-being Goals. As such it aligns with the following:

- A Prosperous Wales – Providing more jobs and accommodation in the area will create more wealth for the local population.
- A Resilient Wales – Providing additional and more diverse housing and employment opportunities will make the area more resilient to external economic factors.
- A Wales of Cohesive Communities – providing local housing and employment opportunities will help to stabilise and develop local communities and prevent outmigration as people seek work.

8.2 The report recommendations are consistent with the five ways of working as defined within the sustainable development principle in the Act. The five ways of working of the sustainable development principle, listed in the Act are:

- Long Term – The importance of balancing short-term needs with the need to safeguard the ability of future generations to meet their long-term needs;
- Prevention - How acting to prevent problems occurring, or getting worse, may help public bodies meet their objectives;
- Integration – Considering how the public body's well-being objectives may impact upon each of the well-being goals, on their other objectives, or on the objectives of other public bodies;
- Collaboration – Acting in collaboration with any other person (or different parts of the body itself) that could help the body to meet its well-being objectives;
- Involvement – The importance of involving people with an interest in achieving the well-being goals and ensuring that those people reflect the diversity of the area which the body serves.

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 Council will expect to get market value and will receive a capital receipt for the site. However, the value of the site is yet to be determined and could take the form of the provision of a coach drivers' facility in the Llys Ifor complex in lieu, or as part payment, of a monetary amount.

10.2 The Council currently charges for parking at Crescent Rd car park. The six spaces identified for sale currently generate an income to the Council. The spaces are located

in the short stay designated area and are charged at the following rates.

1 hr – 70p
2hr - £1.00
3hr - £1.40
4hr - £2.20
Day - £3.70

- 10.3 Please note that any loss of car parking spaces will lead to a loss of revenue income to the Council. Examining the trend from 2015/16 to 2018/19 (not 19/20 as income dropped at year end due to Covid) income per space averaged £194. As the Council increased prices in 19/20, the estimated average income per space on a normal year would be around £200. This would increase to circa £250 per space per year for the short stay car parking spaces.
- 10.4 So the sale of the 6 spaces would see the income from the car park reduce by circa £1500 per annum.

11. PERSONNEL IMPLICATIONS

- 11.1 There are no personnel implications associated with this report.

12. CONSULTATIONS

- 12.1 All consultation responses are reflected 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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Consultees: Cllr Sean Morgan, Deputy Leader and Cabinet Member for Economy and Enterprise
Cllr John Ridgewell, Cabinet Member for Environment and Infrastructure
Christina Harrhy – Chief Executive
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Stephen Harris, Head of Business Improvement Services and Section 151 Officer
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Cllr James Pritchard, Morgan Jones ward
Cllr Colin Elsbury, St Martins ward
Cllr James Fussell, St Martins ward
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Appendices:

Appendix 1 Site Location Plan

APPENDIX 1

Crescent Road Caerphilly

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