

## **The Vale of Glamorgan Council**

### **Cabinet Meeting: 20 February, 2017**

### **Report for the Cabinet Member for Visible, Leisure and Regulatory Services**

### **St Paul's Church, Penarth**

#### **Purpose of the Report**

1. To seek the necessary authority to dispose of the property know as St Paul's Church by way of a 999 year lease and to report an ongoing leaseholder selection process involving the Vale of Glamorgan's four local Registered Social Landlord's (United Welsh, Newydd, Hafod and Wales and West).

#### **Recommendations**

1. That delegated authority is granted for the Managing Director (in consultation with the Leader, Cabinet Member for Visible, Leisure and Regulatory Services, Head of Regeneration and Planning, and the Head of Finance) to dispose of St Pauls Church property by way of a 999 year lease at a peppercorn rental the St Paul's Church property to one of the Vale of Glamorgan's four local Registered Social Landlords (RSLs) to deliver a mixed use development of affordable homes and community use subject to planning approval;
2. That authority is granted to the Head of Legal Services to prepare, execute and complete all legal documentation required to dispose of the land and property at St Paul's Church.
3. That authority is granted to appoint consultant property surveyors and other consultants as may be required to assist with project delivery.

#### **Reasons for the Recommendations**

1. To facilitate the disposal of the land and property at St Paul's Church to one of the Vale of Glamorgan's local RSLs.
2. To complete the legal documentation associated with project delivery.
3. To obtain authority to appoint consultants as may be required to achieve project delivery.

## Background

2. St Paul's Church is a derelict and vacant property located on Arcot Street Penarth the freehold interest of which rests with the Vale of Glamorgan Council. The boundary of the site is identified on the plan at [Appendix A](#).
3. The project is being managed by a Project Board comprising the Managing Director, the Leader, Cabinet Member for Visible, Leisure and Regulatory Services, Head of Regeneration and Planning (Project Sponsor) and the Head of Finance. The Board is supported by an officer Project Team coordinated by a Project Manager from the Project Management Unit.
4. In accordance with Cabinet Minute C2256 (24th March, 2014) the Council appointed Savills as marketing agents. Savills marketed the property from the end of 2014 through to early 2015 as an opportunity for community / recreational uses or as a mixed use scheme including community/ recreational uses and other appropriate uses, subject to the relevant planning processes.
5. As a result of the marketing exercise a community group called "St. Paul's Shared Space CIC" came forward with a proposal to convert the property into a mixed use community venue. As reported to Cabinet at its meeting of 23rd March, 2015 (Cabinet Minute C2709 refers) additional time was offered to the community group to provide further information, including completing a Business Case demonstrating their scheme was financially viable. However, by the Autumn of 2015 it was concluded that unfortunately the community group had not demonstrated to the satisfaction of the Council a viable business case.
6. During 2016 the Project Board and officer Project Team has been focused on delivering a legal exercise aimed at facilitating a title unencumbered by the boxing club's previous lease interest in the rear annex of the property. Successful negotiations with the boxing club resulted in the completion of this legal exercise during Autumn 2016.

## Relevant Issues and Options

7. Following the completion of the above legal exercise, officers have held during late 2016 positive preliminary discussions with the Vale of Glamorgan's four local Registered Social Landlord (RSLs), (United Welsh Housing Association, Newydd, Hafod and Wales and West), to ascertain if they would be interested in bidding to purchase (by way of a 999 year lease at a peppercorn rental) the St Paul's Church property and site to facilitate the delivery of a mixed use development of affordable homes and community use subject to planning.
8. The four local RSLs have recently been formally invited to determine if they could deliver a viable mixed use scheme, and if so to put forward bids and outline development scheme concept proposals for the site. If one or more of the RSLs submit a viable bid for a mixed use scheme it is hoped a Preferred RSL will be selected by the Board from this process during Spring 2017 or soon thereafter.
9. The Preferred RSL would be required to consult the community on their scheme concept proposal as part of the statutory planning process and to also consult the community on the opportunity for a community use within the scheme.
10. An RSL redevelopment would offer the opportunity to deliver a mixed use scheme subject to planning, that would:
  - create new affordable homes for north Penarth; and

- establish a new community facility providing a community hub for the locality; The community facility is proposed to comprise approximately 300 Sq M of gross floorspace (i.e. an area of floor space similar in size to the floor space of the existing main hall within the church, which is approximately 315 Sq M), subject to the financial and technical viability of the successful scheme.
  - regenerate a derelict site either involving the retention and conversion of the church or by way of a new build scheme subject to viability.
11. To achieve project delivery the District Valuer or a consultant property surveyor and other consultancy support may be required to achieve project delivery.

### **Resource Implications (Financial and Employment)**

12. The cost of the RSL selection process will be funded from existing resources.

### **Sustainability and Climate Change Implications**

13. This is a matter that would be addressed at the design stage of any new scheme at the site in accordance with statutory planning processes.

### **Legal Implications (to Include Human Rights Implications)**

14. The Vale of Glamorgan Council owns the freehold interest of the property. There are no restrictive covenants.
15. The Council has a statutory and fiduciary duty to dispose of its land and property pursuant to Section 123 of the Local Government Act 1972. A lease of more than 7 years in length is classed as a disposal for the purposes of the Act. The Council has asked the local RSLs to submit sealed tender bids to purchase the property. The Council has power pursuant to the Local Government Act 1972 General Disposal (Wales) 2003 to dispose of land at an undervalue where it considers that the disposal is in the interests of the economic, social or environmental well-being of the whole or part of its area or any or all persons resident or present in its area and the undervalue is £2 million or less. This consent applies where land is sold pursuant to Section 123 LGA 1972, i.e. where land which is not currently housing land.
16. In addition, under General Consent A issued under Sections 24 and 25 Local Government Act 1988, a Local Authority may provide an RSL with any financial assistance or any gratuitous benefit consisting of disposal to the RSL of land for development as housing accommodation on certain conditions.

### **Crime and Disorder Implications**

17. The aim of the RSL selection process is to regenerate the site with a scheme that minimises opportunities for crime and disorder by facilitating a well-designed mixed use scheme for new homes and community use.

### **Equal Opportunities Implications (to include Welsh Language issues)**

18. The intention is to facilitate this project(s) in accordance with the Council's equal opportunities ethos. The four local RSLs are being given an equal opportunity to put forward proposals for the site. All four RSLs are not for profit organisations with a strong commitment to equalities.

## **Corporate/Service Objectives**

19. The Council is committed to regeneration and creating a thriving economy that supports cohesive, sustainable communities.

## **Policy Framework and Budget**

20. This is a matter for Executive decision by Cabinet.

## **Consultation (including Ward Member Consultation)**

21. Local St Augustine ward members were consulted at the time of this report being drafted.

## **Relevant Scrutiny Committee**

22. Environment and Regeneration

## **Background Papers**

The indicative Site Boundary drawing is attached at [Appendix A](#).

## **Contact Officer**

Mark White - Major Projects Manager

## **Officers Consulted**

Operational Manager, Property  
Operational Manager, Leisure  
Operational Manager, Public Housing Services  
Operational Manager, Accountancy  
Principal Lawyer - Committee Reports  
Affordable Enabling Officer

## **Responsible Officer:**

Miles Punter - Director of Environment and Housing Services