

Meeting of:	<b>Cabinet</b>
Date of Meeting:	<b>Monday, 03 February 2020</b>
Relevant Scrutiny Committee:	Homes and Safe Communities
Report Title:	<b>Housing Development Programme - Appropriation of General Fund Land to the Housing Revenue Account for the Purposes of Housing Development</b>
Purpose of Report:	To advise Cabinet of proposals later on this agenda to appropriate surplus land at the former Eagleswell School site, Llantwit Major, and at the Pencoedtre High School site, Barry, for the purposes of delivering mixed tenure housing developments.
Report Owner:	Cabinet Member for Housing and Building Services
Responsible Officer:	Miles Punter - Director of Environment and Housing Services
Elected Member and Officer Consultation:	Mike Ingram, Head of Housing and Building Services Lorna Cross, Operational Manager (Property) Carolyn Michael, Operational Manager, Accountancy Jane O'Leary, 21st Century Schools Programme Manager Jocelyn Ham, Senior Lawyer Dave Knevett, Operational Manager, Neighbourhood Services and Transport Victoria Robinson, Operational Manager for Planning and Building Control
Policy Framework:	This report is within the policy framework and budget and is a matter for Executive decision by Cabinet.
<p>Executive Summary:</p> <ul style="list-style-type: none"> <li>• This report brings to the attention of Cabinet, proposals to appropriate the former Eagleswell Primary School and land at and adjacent to the Pencoedtre High school into the Housing Revenue Account for the purposes of new housing development.</li> <li>• The report outlines the reasons why General Fund Land is required to support Housing and Building Services ambition to develop new Council homes and the Welsh Government's expectations that local authorities will increase the scale and pace at which they deliver new homes.</li> <li>• The report proposes that the land to be appropriated should support the delivery of more balanced, cohesive mixed tenure communities, including both social housing and homes for market sale.</li> </ul>	

- The report also references Housing and Buildings Services' future aspiration to establish a 'vehicle' to deliver increased numbers of social housing units on sites supported by market sales, delivered by a potential development partner.

## **Recommendations**

1. That Cabinet endorses proposals to appropriate land at the former Eagleswell Primary School site, Llantwit Major and the Pencoedtre High School site, Barry, to the Housing Revenue Account for the purposes of delivering mixed tenure housing developments.
2. That Cabinet endorses a proposal to include a parcel of Parks land adjacent to the Pencoedtre High School land in the appropriation arrangement at this location, subject to all other matters as detailed in the report being progressed.
3. That Cabinet notes the requirements to take formal decisions on the above matters as part of the wider consideration of a Part II report later on this agenda.

## **Reasons for Recommendations**

- 1&2. To obtain the support in principle for the appropriation of a number of parcels of land to the Housing Revenue Account.
3. To allow the Part I and II reports to be considered together.

### **1. Background**

- 1.1 The Council is seeking to increase its housing stock and satisfy local housing need through the commissioning of new properties as a new development initiative. The principle of developing new homes was established by the Council following a Cabinet meeting on 11 August 2014 (C2439) and sites across the Vale of Glamorgan were considered for development.
- 1.2 Housing and Building Services currently has 39 new social housing units under development at two sites in Barry, having previously completed 3 purpose built adapted bungalows in 2017, on sites within the Housing Revenue Account (HRA).
- 1.3 Housing and Building Services has also identified a potential additional 169 social housing units on six HRA sites for future development, all currently at various stages of feasibility, design and approval.
- 1.4 Welsh Government, in its Independent Review of Affordable Housing Supply 2019, has an expectation that local authorities will play a major role in increasing the number of affordable homes, including those for social rent, at pace and scale.

- 1.5** In order that Housing and Building Services and the HRA can meet the expectations of Welsh Government, it will be necessary to appropriate land from the General Fund to increase the supply of social housing units.
- 1.6** Housing and Building Services has been considering the appropriation of two Education land holdings. The sites identified are the former Eagleswell Primary School at Llantwit Major (Appendix A) and land at Pencoedtre Highschool, Barry (Appendix B)., However, in the case of the land at Pencoedtre High school, there is located, adjacent to the site, land which is managed by Parks and Open Spaces but deemed surplus to requirements.
- 1.7** The former Eagleswell Primary School site is currently vacant, with the previous school buildings and infrastructure having been demolished in 2017. The site had previously been unsuccessfully marketed for private residential development.
- 1.8** The land at the Pencoedtre Highschool site includes the hockey pitch and land to the south. It is proposed that the land to the east of the hockey pitch would also be appropriated to facilitate housing development, this being that land described above and illustrated in Appendix C, being in the ownership of Parks and Open Spaces.
- 1.9** Both sites are included in the Council's Local Development Plan (LDP) 2011-2026 for residential development. The land at Pencoedtre Highschool MG2(11) has been allocated for residential use providing at least 137 dwellings. The former Eagleswell Primary School site MG2(23) has also been allocated for residential use providing at least 72 dwellings. Affordable housing will be delivered in accordance with the Council's Planning Policy MG4.
- 1.10** Based the on the minimum number of new homes required in the LDP for both sites, the number of new affordable housing units to be provided, in accordance with Policy MG4, are as follows:

Eagleswell Primary School @ 35% which equates to 25 dwellings, of which 17 would be let at affordable rents and 8 would be marketed for Low Cost Home Ownership.

Pencoedtre Highschool @ 30% which equates to 41 dwellings, of which 29 would be let at affordable rents and 12 would be marketed for Low Cost Home Ownership

The sites have been valued on an open market basis by the District Valuer (DV) and the valuation reports are provided under Part 2 of this agenda due to the sensitivity of this information. The valuations are acceptable, and an adjustment can be made to the HRA Capital Financing Requirement for the combined open market values, in favour of the General Fund, for the purposes of the 21st Century Schools Programme.

## 2. Key Issues for Consideration

- 2.1** The need to provide additional affordable homes is a high priority for the Council. However, the means by which the Council is expected to increase the scale and pace of its development programme needs to be balanced against the availability of land on which to provide large numbers of social housing units.
- 2.2** Housing and Building Services and the HRA has all but exhausted its land supply, albeit for a number of small garage sites that are unlikely to generate the numbers of new social housing units expected.
- 2.3** The table below evidences the number of applicants currently on the Homes4U Waiting List for Barry and Llantwit Major, in need of housing:

BARRY		LLANTWIT MAJOR	
1 BED	1853	1 BED	191
2 BED	986	2 BED	141
3 BED	360	3 BED	57
4 BED	84	4 BED	17
5 BED+	14	5 BED+	1
TOTAL	3297	TOTAL	407

- 2.4** The HRA will need to appropriate land from the General Fund (and the open market in future), in order to meet the demand evidenced on the Homes4U Waiting List and to realise Welsh Governments' expectations for local authorities to increase the scale and pace of their development programmes.
- 2.5** Housing and Building Services will also require a 'vehicle' by which it can deliver large numbers of social housing units, whilst securing additional development finance and generate additional subsidy to invest in its social housing programme.
- 2.6** To this end and with the approval of the Strategic Housing Board, Housing and Building Services has appointed Local Partnerships - a company owned by Welsh Government, Welsh Local Government Association and HM Treasury - to advise on the most appropriate 'vehicle' to increase the number of social housing units, through the development of mixed tenure sites

## 3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

- 3.1** Looking to the long term - The Housing Business Plan allocates significant resource, some £236 million, towards the development of new Council homes over the next thirty years. The Council plans to complete a minimum of 500 new Council homes by 2025. Further homes will be considered for development where development could be made viable by including other tenure models to

cross-subsidise the development of homes at social rent. In this way the Council could further add to the overall numbers of affordable homes in the borough without adversely impacting on the Housing Business Plan.

- 3.2** Taking an integrated approach - In April 2018, Welsh Government announced an independent review of affordable housing supply in Wales. The purpose of which was to examine whether more can be done to increase the supply of affordable housing in Wales, maximising the resources available in order to meet the clear commitment to deliver 20,000 affordable homes during this term of Government. The Council is committed to working with Welsh Government, its housing partners, communities and the private sector in maximising the delivery of affordable housing in the Vale.
- 3.3** Involving the population in decisions - In arriving at a decision to provide new affordable housing, the Council will fully consult with its tenants and residents on development proposals and consider their responses, from the feasibility stage through to the determination of the planning application and when the scheme is being delivered.
- 3.4** Working in a collaborative way- The Council has strong established links with a number of Housing Associations which make a significant contribution to housing supply in the Vale. It is important this continues, and it is not the Council's intention to compete with Housing Associations. Therefore, the Council intends to work alongside our partners and envisages a complimentary approach to the delivery of affordable homes.
- 3.5** Understanding the root causes of issues and preventing them - The 2017 Local Housing Market Assessment (LHMA) highlighted the chronic shortage of affordable housing in the Vale of Glamorgan. In assessing the housing market as a whole, the LHMA calculates the net need for affordable housing, including social rented housing, intermediate rented housing and low-cost home ownership housing products, over the coming years. This assessment projects the headline annual need for affordable housing in the Vale of Glamorgan to be 576 units per annum between the years 2017 to 2022. The LHMA identified an overwhelming need for all types and tenures of affordable housing in the Vale. The Council has recognised this and is acting to invest significantly in new council homes and enable housing association development.
- 3.6** This proposal:  
Meets the relevant Strategic Objective 2 of the Corporate Plan 2016-20  
Meets the Objectives 1-5 of the Well Being Plan 2018-23  
Meets all the Strategic Aims 1-4 of the Local Housing Strategy 2015-20  
Meets Strategic Objectives 1-4 of the Housing Development Strategy 2019-24

## **4. Resources and Legal Considerations**

### **Financial**

- 4.1** Full financial details will be addressed in the Part II Report included on the Agenda.

### **Employment**

- 4.2** There are no other resource issues to report at this time.

### **Legal (Including Equalities)**

- 4.3** The Housing Development Team will continue to liaise with Legal Services on all legal matters concerning the appropriation of the land.
- 4.4** The Council has the power to appropriate land from one purpose to another under Section 122 of the Local Government Act 1972. Where the land is open space/amenity land the Council must advertise the appropriation under Section 122 (2A) and consider any objections received.
- 4.5** Any objections to the loss of the Public Open Space will be reported separately to Cabinet for consideration prior to any final decision being taken. If no objections are received the matter will be progressed as set out in the recommendations of this report.
- 4.6** The Council must have regard to the requirement of the School Standards and Framework Act 1988 and paragraph 6 of the Academies Act 2010 when appropriating former school playing fields to another purpose and as required seek the consent and guidance of the Welsh Government in this regard.

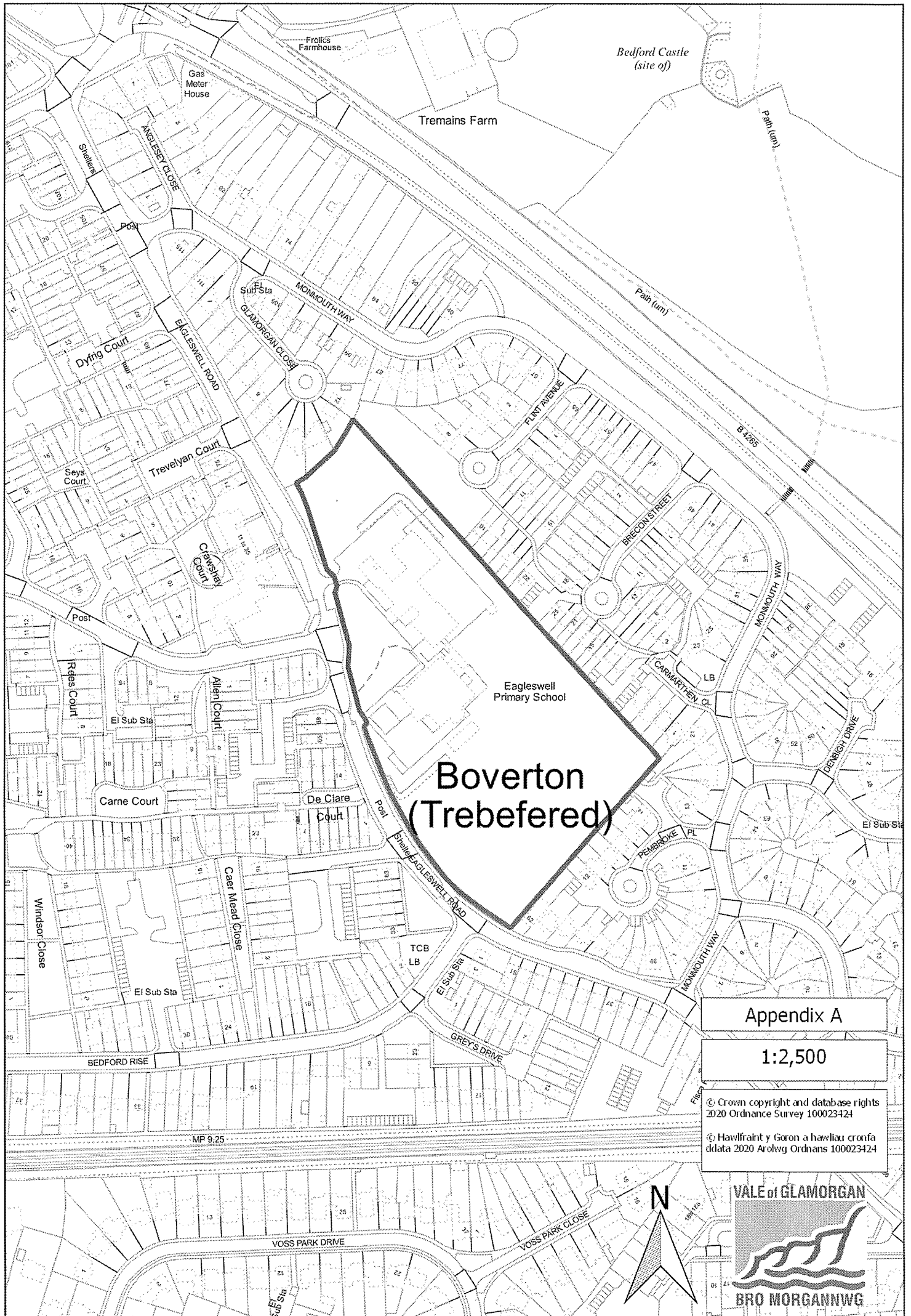
In terms of equalities, the development of a minimum of 209 new homes would provide significant training and community benefit opportunities offered as part of the main works contract and in accordance with the Welsh Governments 'Value Wales' Toolkit.

## **5. Background Papers**

Vale of Glamorgan Council Local Development Plan 2011 - 2026

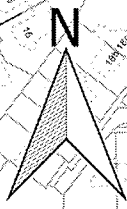
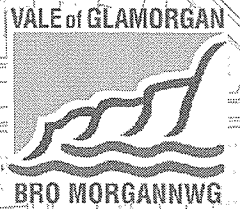
Vale of Glamorgan Housing Development Strategy 2019 - 2025

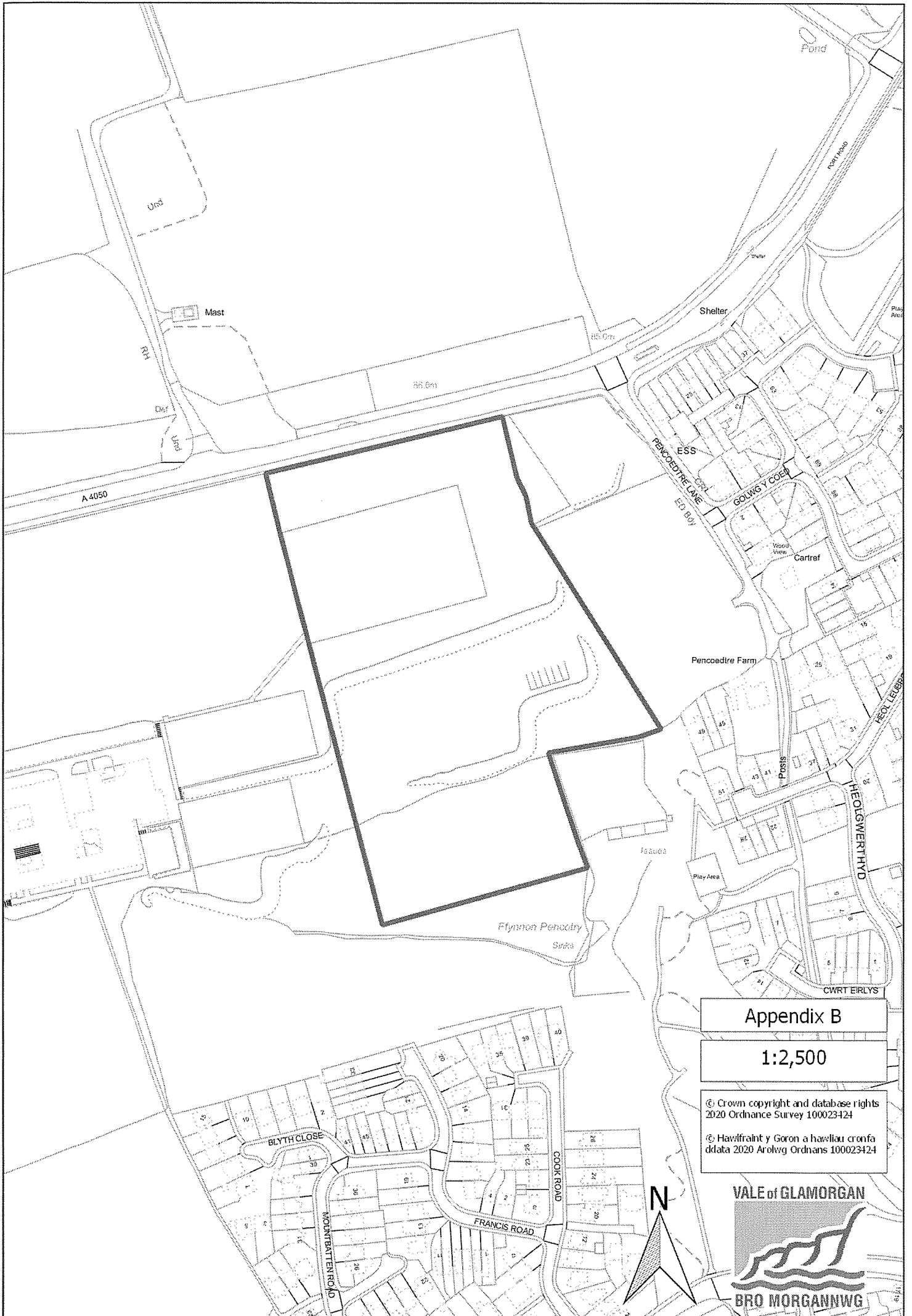
Welsh Governments' Independent Review of Affordable Housing Supply 2019



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Appendix A  
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Appendix B

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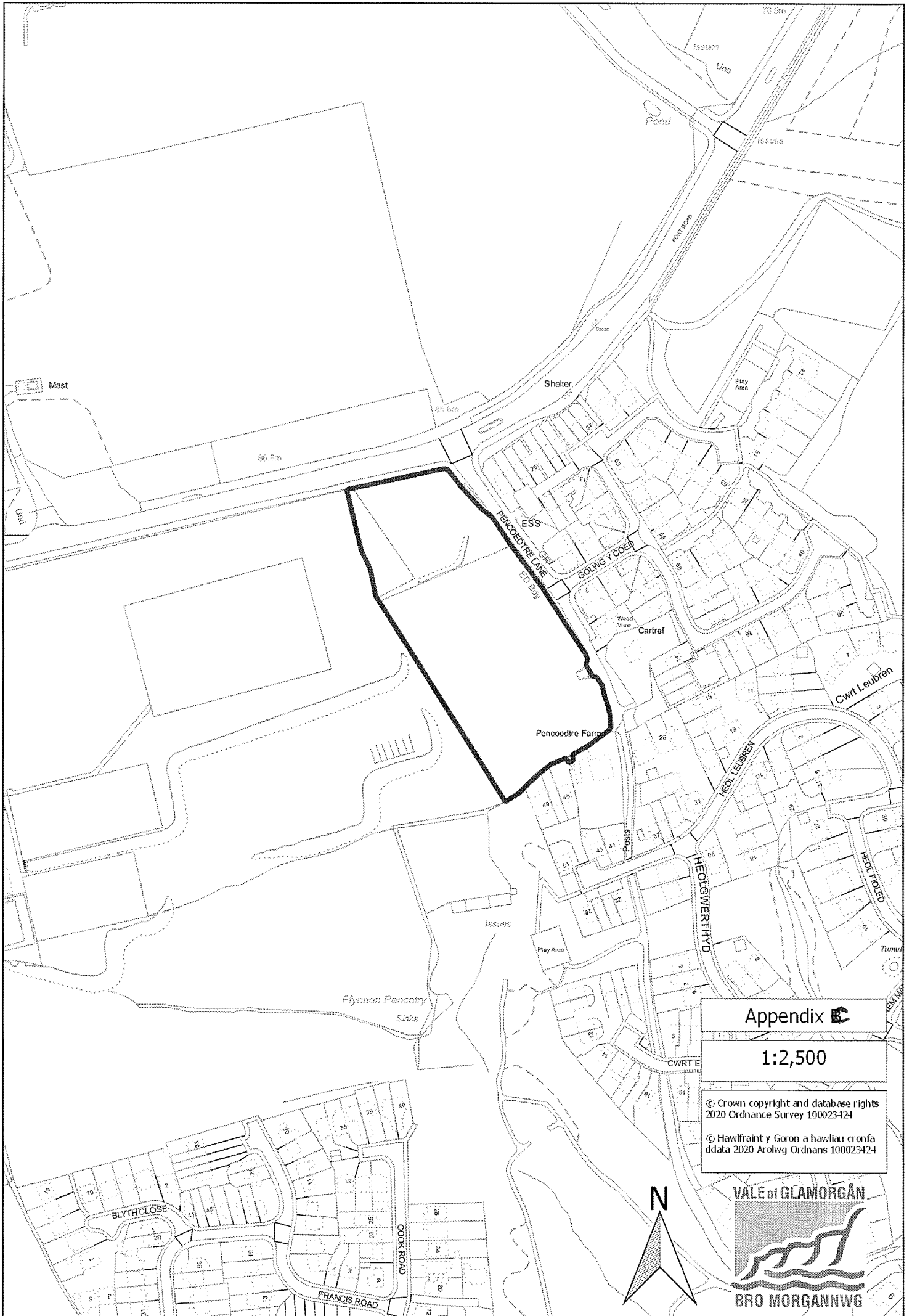
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VALE of GLAMORGAN



BRO MORGANNWG





Appendix 

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