

Meeting of:	Cabinet
Date of Meeting:	Monday, 24 February 2020
Relevant Scrutiny Committee:	Homes and Safe Communities
Report Title:	Housing Development Programme - Land at St. Cyres Road, Penarth
Purpose of Report:	To advise of a requirement to seek Cabinet approval to submit a detailed planning application and to tender the housing development scheme known as St. Cyres Road, Penarth (the Scheme).
Report Owner:	Cabinet Member for Housing and Building Services
Responsible Officer:	Miles Punter - Director of Environment and Housing Services
Elected Member and Officer Consultation:	Officers consulted: Pam Toms, Operational Manager, Public Housing Services Richard Stopgate, Development and Investment Manager Carol Price, Housing Strategy Co-ordinator Nathan Slater, Senior Planner Charlotte Raine, Senior Planner Rachel Boucher, Accountant Lee Howells, Engineering Manager Jocelyn Ham, Senior Lawyer, Legal Services
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"> This report brings to the attention of Cabinet, a proposal to develop 14 no. one bedroom two person apartments for applicants over 55 years of age in Penarth's Cornerswell ward, on land at St. Cyres Road, which is held by the Environment and Housing Services Directorate and appropriated to the HRA. 	

Recommendations

1. That Cabinet notes the proposal to provide a new development of 14 no. one bedroom two person apartments for applicants over 55 years of age in Penarth's Cornerswell ward.
2. That Cabinet notes the requirement to take formal decisions on the progression of the above proposal, as part of the wider considerations detailed in the Part II report later in the agenda.

Reasons for Recommendations

1. To advise Cabinet of the intention to increase the supply of new Council owned homes.
2. To ensure decisions are made to progress this proposed development of new Council owned homes.

1. Background

- 1.1 The Council is seeking to expand 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 The development proposes 14 no. one bedroom two person apartments for applicants over 55 years of age in Penarth's Cornerswell ward, on land at St. Cyres Road, which is held by the Environment and Housing Services Directorate and appropriated to the HRA.
- 1.3 The land had previously been the site of a 'school house' - now demolished - and most recently used as a contractors' compound and materials storage area, during the construction of the new St. Cyres Comprehensive School.
- 1.4 At its meeting on the 12th July 2019, the Strategic Housing Board approved the appointment of consultants and the commencement of site investigative works and due diligence surveys. The Board also approved submission of a report to Cabinet, recommending the agreed Scheme be granted approval to proceed to a detailed planning application stage and procurement of the main works.

2. Key Issues for Consideration

- 2.1 The need to provide additional affordable homes is a high priority for the Council and the new homes will be let at rents in line with the Council's rent policy, making the homes affordable for those in need. Consultation will continue with officers from Housing Solutions, Highways and Planning to ensure that the final

Scheme proposals meet objectives of the Council's Local Housing Strategy and Housing Development Strategy.

- 2.2 The Housing Development Team has undertaken an initial Development Viability Appraisal for the Scheme, using the target rent for the property type within the Ward, the standard Housing Business Plan 2019/20 assumptions and the investment of the S106 Affordable Housing Contribution accumulated in the St. Augustine Ward in Penarth.
- 2.3 The Housing Development Team considers the Scheme to be viable, meeting the Council's agreed Development Appraisal Criteria, once the S106 Affordable Housing Contribution subsidy is taken into account.
- 2.4 The Scheme layout is provided at APPENDIX 1, with the contextual elevation and massing provided at APPENDIX 2 and 3.
- 2.5 The one-bedroom apartments at a gross internal area of 52 M2 have been designated to accommodate older persons and will therefore be let to residents over the age of 55, in accordance with the Council's Housing Allocations Policy. Potential residents will be offered accommodation from the housing waiting list via the Council's Homes4U scheme.
- 2.6 As previously stated, the Strategic Housing Board approved the appointment of consultants and the commencement of site investigative works and due diligence surveys. In order to progress the Scheme, additional consultants will need to be engaged to prepare separate tender documentation for the design and main works. It is proposed to tender the main works on a single-stage basis competitive basis through a Welsh Procurement Alliance (WPA) Framework Agreement. This will be in accordance with Council's procurement requirements.
- 2.7 Tender evaluations will be in accordance with the Council's Contract Procedure Rules.

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 164 new Council homes by 2022. 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 that 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 LMHA 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 Scheme.

4.4 It will be necessary for the Council to enter into the appropriate forms of contract with the successful tenderers for the works and services required to progress this Scheme together with other forms of agreement with statutory undertakers etc.

4.5 The Scheme will also have to be satisfy all relevant and appropriate statutory planning, procurement and property regulations together with the Council's internal procedures.

4.6 In terms of equalities, there will be training opportunities offered as part of the main works contract and in accordance with the Welsh Governments 'Value Wales' Toolkit.

5. Background Papers

None.