

Meeting of:	Cabinet
Date of Meeting:	Monday, 28 February 2022
Relevant Scrutiny Committee:	Homes and Safe Communities
Report Title:	Penarth Older Persons Housing with Care Complex
Purpose of Report:	To seek various authorities from Cabinet to further progress the Penarth Older Persons Housing with Care Complex project.
Report Owner:	Cabinet Member for Housing and Building Services
Responsible Officer:	Miles Punter - Director of Environment and Housing Services
Elected Member and Officer Consultation:	Local Ward Members Director of Environment and Building (Miles Punter) Head of Adults Services (Suzanne Clifton) Housing Development Programme Manager (Andrew Freegard) Strategic Estates Manager (Ben Winstanley) Senior Lawyer (Jocelyn Ham)
Policy Framework:	This is a matter for Executive Decision
<p>Executive Summary:</p> <ul style="list-style-type: none"> In accordance with Cabinet Minute C532 (Appendix A), authority was granted to facilitate a project called Penarth Older Persons Housing with Care Complex. This a collaborative project between the Vale of Glamorgan Council and Wales and West Housing Association (WWHA), which aims to deliver a proposed Extra Care scheme and a new development of older persons independent living accommodation alongside Oak Court (operated by Wales and West Housing Association on land leased from the Council) and Ty Dewi Sant (operated by the Vale of Glamorgan Council). The project aims to deliver the Extra Care Scheme and new development of older persons independent living accommodation on a 3.6 acre vacant development site (in the freehold ownership of the Council), which is part of an adopted housing allocation site within the adopted Local Development Plan (Appendix B). In accordance with Cabinet Minute C532(2) the purpose of this report is to seek authority to declare surplus land (indicatively identified by Appendix C) which is earmarked for the proposed Extra Care development. 	

- The report also seeks authority to dispose of land (identified by Appendix D) to WWHA by virtue of a newly negotiated long lease(s) to include the land declared surplus pursuant to this report for the purpose of providing the proposed Extra Care scheme together with the Oak Court site.
- In addition, the report seeks authority to facilitate a Development or Partnership Agreement with WWHA to deliver for the Council the proposed development of older persons independent living accommodation (on land identified in Appendix C).

Recommendations

- 1.** THAT authority is granted for the Head of Housing and Building Services (in liaison with the Project Board identified in the report) to declare surplus the land indicatively edged red in Appendix C in order for it to be developed for a proposed Extra Care scheme by Wales and West Housing Association;
- 2.** THAT authority is granted for the Head of Housing and Building Services (in liaison with the Project Board identified in the report) and in consultation with the Head of Finance/Section 151 Officer and the Monitoring Officer/Head of Legal and Democratic Services to grant a new long lease(s) to Wales and West Housing Association of the land indicatively edged dashed red in Appendix D including the land declared surplus and earmarked for the Extra Care facility (referred to in recommendation 1) together with the land forming WWHA's Oak Court demise subject to the appropriate legislative provisions and any statutory consents required;
- 3.** THAT authority is granted for the Head of Housing and Building Services (in liaison with the Project Board identified in the report) to waive Contract Procedure Rules and negotiate terms and conditions of a Development/Partnership Agreement and appended building contract with Wales and West Housing Association to design and construct on behalf of the Council the proposed development of older persons independent living accommodation (to be located on the land indicatively edged dashed yellow in Appendix C), subject to the appropriate legislative provisions and statutory consents;
- 4.** THAT authority is granted to the Monitoring Officer/Head of Legal and Democratic Services to prepare, execute and complete all the necessary legal documentation and take any steps required to procure and facilitate the delivery of all aspects of the Penarth Older Persons Housing with Care Complex.

Reasons for Recommendations

- 1.** To declare surplus vacant land identified edged red in Appendix C for the Extra Care scheme;
- 2.** To facilitate the disposal of land edged dashed red in Appendix D by virtue of a long lease(s) to Wales and West Housing Association;
- 3.** To facilitate a Development/Partnership Agreement with Wales and West Housing Association for the delivery of the older persons independent living accommodation;
- 4.** To enable the preparation, execution and completion of all the necessary legal documentation to achieve project delivery.

1. Background

- 1.1** At its Cabinet meeting of 22nd March 2021 (Cabinet Minute C532 – attached as Appendix A) the Penarth Older Persons Housing with Care Complex Project was endorsed, and authority granted for the Head of Housing and Building Services (in liaison and consultation with the Project Board identified in paragraph 2.6.) to facilitate delivery of the project and to commence negotiations and agree terms and conditions for the disposal of land subject to the appropriate legislative provisions, statutory consents, and funding.
- 1.2** Penarth Older Persons Housing with Care Complex is a collaborative project between the Vale of Glamorgan and Wales and West Housing Association (WWHA). As detailed in the previous Cabinet report, the vision and aim of the project is to deliver a comprehensively master planned scheme (subject to statutory consents) on a vacant 3.6 acres housing development site (in the freehold ownership of the Council, which is part a Housing Allocation site in the adopted Local Development Plan 2011 – 2026, as identified by Appendix B) which will enable the development of two new affordable older person's housing developments specifically:
- (i) a new Extra Care scheme; and
 - (ii) a new older persons independent living accommodation scheme;
- 1.3** The schemes will operate alongside the existing Oak Court sheltered housing facility (currently operated by WWHA on land leased from the Council) and Ty Dewi Sant residential home (operated by the Council on land in the freehold ownership of the Council).

2. Key Issues for Consideration

DECLARING LAND SURPLUS (FOR EXTRA CARE SCHEME)

- 2.1** Since reporting to Cabinet during March 2021, a consultant design team commissioned by WWHA, has been preparing a master plan and scheme design for a planning application for Penarth Older Persons Housing with Care Complex. This master planning process is at an advanced stage and has identified the location and boundary of the proposed Extra Care scheme (indicatively edged red in Appendix C). Whilst the Extra Care scheme is a housing development it will be developed, delivered and ultimately managed by Wales and West Housing Association. It is therefore necessary to declare the land edged red in Appendix C surplus to the Council's requirements in order to lease it to WWHA for the purpose of delivering the proposed Extra Care development (subject to statutory consents). To this end, the Project and the proposed disposal of land was reported to the Insight Board during December 2020.

CLARIFICATION OF PROPOSED LEASE AREA FOR WWHA

- 2.2** To enable the delivery of the Extra Care scheme, it is intended to dispose by virtue of a long lease(s) to WWHA the land indicatively edged dashed red in

Appendix D. This could combine under one new Lease the land proposed to be declared surplus for the Extra Care scheme together with the land that is currently leased to WWAHA in respect of Oak Court or alternatively it could be two distinct leases.

PHASED DELIVERY AND PROPOSED DEVELOPMENT/PARTNERSHIP AGREEMENT

- 2.3** It is anticipated the Penarth Older Persons Housing with Care Complex will be delivered in two phases subject to statutory consents. In Phase 1, WWAHA would let a works contract to construct the Extra Care scheme and the highway and drainage infrastructure to serve both the Extra Care Scheme and the proposed older persons independent living accommodation. This would be followed by Phase 2, the proposed construction of the Council's older persons independent living accommodation (within the land edged dashed yellow in Appendix C).
- 2.4** It is proposed that WWAHA deliver both Phases, and thereby construct for the Council the older persons independent living accommodation scheme immediately after the construction of the Extra Care scheme. WWAHA would use the same works contractor for both Phases, which is anticipated to be more cost effective (by offering economies of scale) and reduce the risk of conflict associated with two different contractors delivering the two Phases. This approach should enable the most efficient and effective way of seamlessly delivering the two new developments, which will share much of the new highway and drainage infrastructure for the master planned project.
- 2.5** This report therefore seeks authority to facilitate a Development/Partnership Agreement with WWAHA for the Registered Social Landlord to design and construct for the Council the proposed development of older persons independent living accommodation on the land indicatively edged dashed yellow in Appendix C.

PROJECT GOVERNANCE

- 2.6** The Penarth Older Persons Housing with Care Complex is overseen by a newly formed Project Board comprising the Leader, Cabinet Member for Housing and Building Services, Director of Environment and Housing and the Interim Head of Finance. The Project Board is supported by a Project Manager and multi-disciplined Project Team.

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

- 3.1** The proposed Penarth Older Persons Housing with Care Complex accords with the Five Ways of Working and our Well-being objectives as follows:
- a) INVOLVEMENT - The community will be consulted as part of the statutory planning process;
 - b) COLLABORATION - The Council and Wales and West Housing Association are working closely to facilitate the delivery of the project to provide much needed older persons homes, and held preliminary discussions with Service delivery

teams within the Local Health Board with a view to explore the opportunity to co-locate complimentary health facilities;

c) INTEGRATION - An aim of the project is to sensitively integrate the proposed new Extra Care scheme and additional older persons independent living accommodation with the existing Oak Court sheltered housing scheme and Ty Dewi Sant;

d) PREVENTION - An aim of the project is to prevent a lack of much needed older persons homes in the Vale.

e) LONG TERM - An aim of the project is to provide a sustainable older persons housing development that will go towards providing a long-term solution to the current lack of suitable older persons housing in the Vale of Glamorgan.

4. Resources and Legal Considerations

Financial

- 4.1** The Extra Care scheme is estimated to cost £12 - 13 Million. It is anticipated this element of the project would be funded by a mix of funding from WWHA, Social Housing Grant and Integrated Care Fund.
- 4.2** Housing Services had included a development budget in the Housing Business Plan for the sum of £6 Million from 2023 for the delivery of the older persons independent living accommodation. As a result of the site constraints this element of the project has recently been scaled down and the cost is now estimated to be £3.5 to £3.75 Million. It is anticipated that around 40% of these costs will be funded from SHG and the updated Housing Business Plan, which will be presented to Cabinet in February 2022, will be updated to reflect these changes in cost and funding.
- 4.3** In accordance with a proposed Development/Partnership Agreement between the Council and WWHA, the Council would pay WWHA the cost of designing and constructing the proposed scheme of older persons independent living accommodation.
- 4.4** Any disposals of interests in land will be valued in accordance with Section 123 of the Local Government Act 1972 or the consents under the Housing Act 1985.

Employment

- 4.5** It is anticipated the Penarth Older Persons Housing with Care Complex would create temporary construction jobs and safeguard and create operational jobs associated with the proposed Extra Care scheme and Older Persons independent living accommodation. At this stage it is not possible to identify actual estimated numbers of jobs.

Legal (Including Equalities)

- 4.6** The Vale of Glamorgan Council owns the freehold interest in the vacant development site edged red in Appendix B. The land comes under the Housing and Building Services portfolio but part of it will be declared surplus – see below.
- 4.7** The adjacent Oak Court site is also in the freehold ownership of the Vale of Glamorgan Council but is subject to a long lease with WWHA pursuant to which WWHA provide a housing with care scheme.
- 4.8** The proposed disposal of land to WWHA by virtue of a new long lease(s) (edged dashed red in Appendix D) will include the vacant development land declared surplus under this report together with the Oak Court land.
- 4.9** The disposals to WWHA will be subject to the provisions of section 123 of the Local Government Act 1972 and any other appropriate legislative provisions and statutory consents required under that legislation or other related legislation.
- 4.10** To establish a lawful relationship between the Council and WWHA in accordance with the Regulation 12 Exemption to the Public Contracts Regulations 2015, there would need to be a Development/Partnership Agreement between the two contracting authorities, which sets out the nature of the collaboration, this should include:
- a joint governance structure;
 - the contributions which would be made from each side;
 - the benefits that each would derive; and
 - how this benefits the performance of their "public services".
- 4.11** The purpose of the proposed Development/Partnership Agreement is for the Council to let a works contract for the construction of the Older Persons independent living accommodation, using the same works contractor that WWHA engage for the Extra Care scheme.

5. Background Papers

None.

APPENDIX A: CABINET MINUTE C532

C532 PENARTH OLDER PERSONS HOUSING WITH CARE COMPLEX (HBS) (SCRUTINY – HOMES AND SAFE COMMUNITIES) –

The report sought authority to facilitate a project called Penarth Older Persons Housing with Care Complex. The project aimed to provide much needed older persons homes and integrated health facilities, subject to statutory consents and funding.

The project was proposed on 3.6 acres of vacant Council owned land (edged red in Appendix A to the report). The land was within the portfolio of Housing Services and was part of an adopted Local Development Plan Housing Allocation Site (shaded blue in Appendix A to the report) and was situated alongside Oak Court (an existing older persons residential facility operated by Wales and West Housing Association) near to Ty Dewi Sant (a dementia friendly care home operated by the Council).

It was intended to deliver a high-quality master planned development on the Council's land edged in red in collaboration with Wales and West Housing Association, comprising:

- (a) a new Extra Care residential block (numbers to be confirmed following the completion of a detailed feasibility and pre-planning exercise) to be delivered by Wales and West Housing Association, subject to contract; and
- (b) additional older persons' independent living accommodation (numbers to be confirmed) to be delivered by the Council.

The vision for the project was a comprehensive master plan scheme aimed at creating a critical mass of new and existing older persons' housing, social care and health facilities, promoting a village and shared community facility ethos.

The Cabinet Member for Housing and Building Services said there was a Local Letting Policy for this area so the benefits would be for the people of Penarth. It would enable residents to remain in their own homes for longer, which people preferred to do.

The Deputy Leader noted that the report had taken a time to come forward but would be of benefit to older people in Penarth, helping them to maintain their Independence. Having extra care provision on the same site alongside independent living provision was welcomed and took away some of the worries of the older residents in Penarth as they could live independently, or access support as required.

The Leader said it was about enhancing quality of life and added his thanks to the Officers for the work done to bring the matter forward.

This was a matter for Executive decision.

Cabinet, having considered the report and all the issues and implications contained therein

RESOLVED –

(1) T H A T the Penarth Older Persons Housing with Care Complex Project be endorsed and authority granted for the Head of Housing and Building Services to facilitate delivery of the project (in consultation with the Project Board identified in the report) subject to the appropriate legislative provisions, statutory consents and funding.

(2) T H A T authority be granted for the Head of Housing and Building Services (in consultation with the Project Board identified in the report) to determine the site boundary for an Extra Care development within part of the land indicatively edged red on the plan in Appendix A to the report; and to negotiate terms and conditions for disposal of the Extra Care site to Wales and West Housing Association, subject to the appropriate legislative provisions, any statutory consents required and the Extra Care site being declared surplus at a future Cabinet meeting.

(3) T H A T authority be granted for the Head of Housing and Building Services (in consultation with the Project Board identified in the report) to review Wales and West Housing Association's existing lease for Oak Court and as appropriate to facilitating the overall project, negotiate terms and conditions for the disposal of a new interest in the Oak Court site to Wales and West Housing Association, subject to the appropriate legislative provisions and any statutory consents required.

(4) T H A T authority be granted to the Head of Housing and Building Services (in consultation with the Project Board identified in the report) to submit grant applications and accept grant funding to facilitate delivery of the Penarth Older Persons Housing with Care Complex.

(5) T H A T authority be granted to waive Contract Procedure Rules and for the Head of Housing and Building Services (in consultation with the Project Board identified in this report) to allow the Council to utilise the Integrated Care Fund (ICF) grant aid awarded to it by Welsh Government (via the Regional Partnership Board and administered by the Local Health Board) to work with and remunerate Wales and West Housing Association for its feasibility, project planning, design and commissioning works in connection with delivering Penarth Older Persons Housing with Care Complex project.

(6) T H A T the Monitoring Officer / Head of Legal and Democratic Services be authorised to advertise the proposed disposal of the land indicatively edged red on the plan in Appendix A to the report in accordance with the provisions of Section 123 (2A) of the Local Government Act 1972 and in consultation with the Leader, Cabinet Member for Housing and Building Services, Director of Environment and Housing and the Head of Housing and Building Services will consider any objections received and that the Head of Housing and Building Services report back to Cabinet for a decision on this matter.

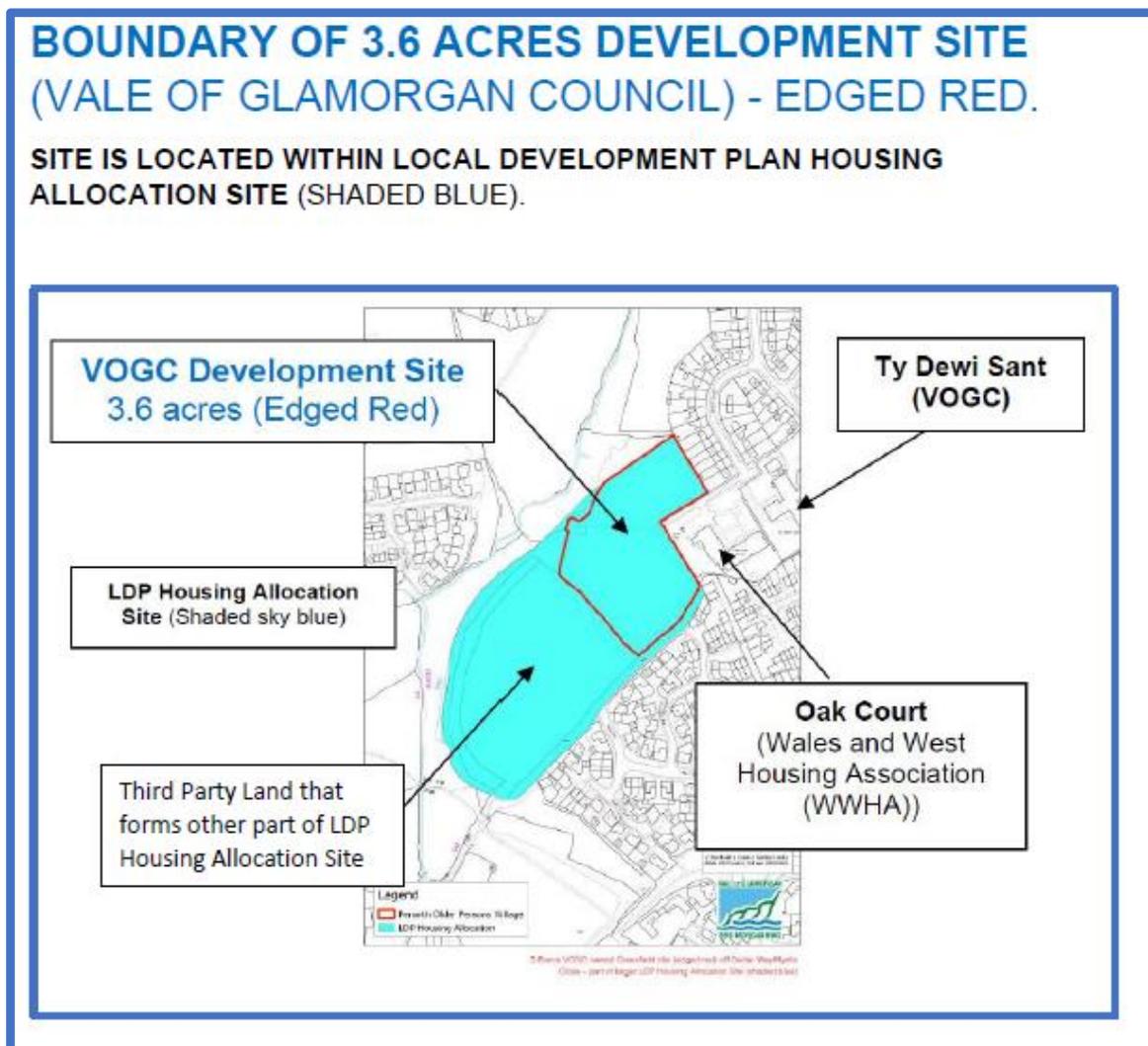
(7) T H A T authority be granted to the Monitoring Officer / Head of Legal and Democratic Services to prepare, execute and complete all the necessary legal documentation required to procure and facilitate the delivery of Penarth Older Persons Housing with Care Complex and where appropriate to dispose of land to Wales and West Housing Association.

Reasons for decisions

- (1) To obtain a general endorsement from Cabinet for the delivery of the Penarth Older Persons Housing with Care Complex Project.
- (2) To obtain authority to negotiate the disposal of the land in connection with project.
- (3) To obtain authority to negotiate and agree the disposal of a new interest in the Oak Court site to Wales and West Housing Association.
- (4) To obtain authority to submit and accept grant applications to facilitate delivery of part or all the Penarth Older Persons Housing with Care Complex.
- (5) To obtain authority for the waiver of the Contract Procedure Rules in connection with the disbursement of the Council's ICF grant funding in connection with the project.
- (6) To ensure the appropriate statutory procedure is followed.
- (7) To allow the necessary legal documentation to be prepared, executed and completed.

APPENDIX B

Plan of VOGC 3.6 Acres Development Site (edged red) within part of a larger housing allocation site identified in the Council's adopted Local Development Plan 2011-2026 Written Statement as "MG(2) 27 Land Adjacent Oak Court, Penarth 145" (shaded blue).

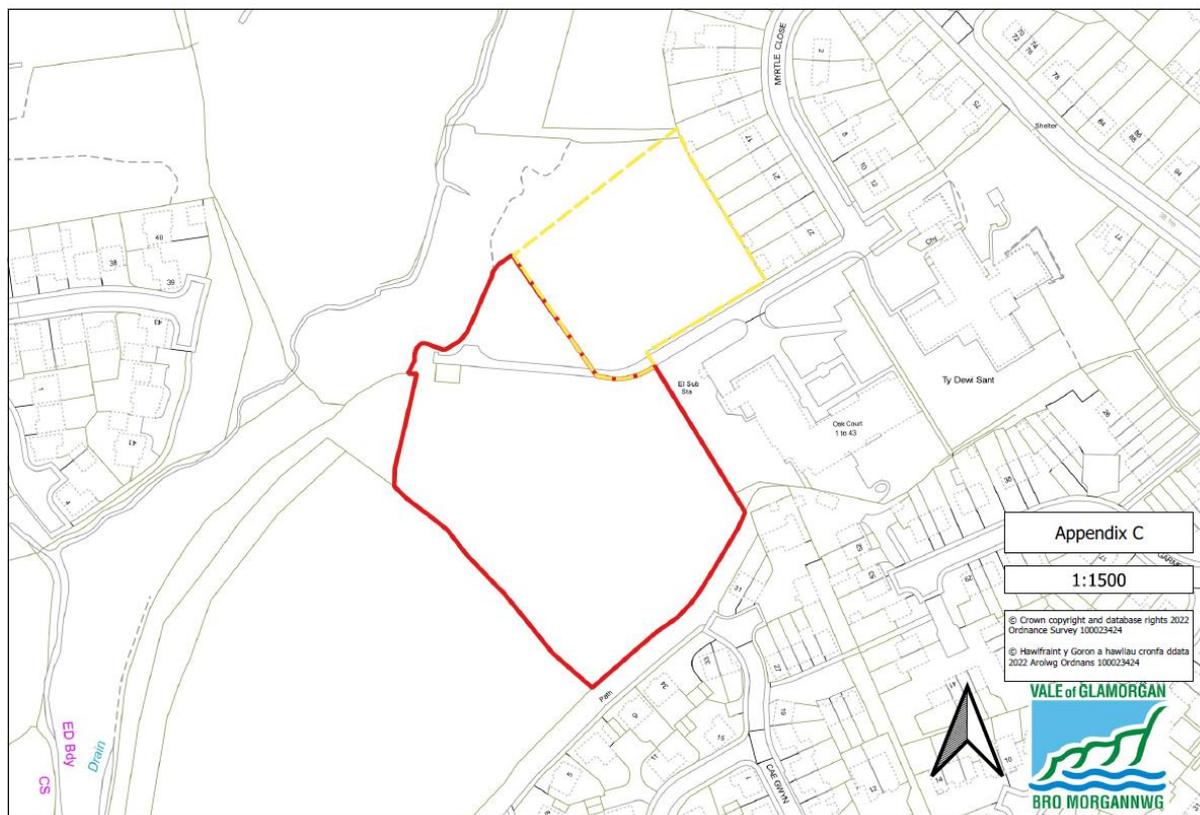


APPENDIX C

Plan of:

(a) Land to be declared surplus for the Extra Care scheme
(indicative boundary edged red) and

(b) the land earmarked for the older persons independent living accommodation (indicative boundary edged dashed yellow).



Appendix D

Plan of proposed new Lease(s) area for WWA (edged dashed red) including:

(a) the land proposed to be declared surplus for the Extra Care scheme; and

(b) Oak Court

(and for context the land earmarked for the older persons independent living accommodation (edged dashed yellow).

