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PAPURAU ATODOL

Pwyllgor	PWYLLGOR CRAFFU'R ECONOMI A DIWYLLIANT
Dyddiad ac amser y cyfarfod	DYDD LLUN, 14 MEDI 2020, 5.00 PM
Lleoliad	YSTAFELL BWYLLGOR 4 - NEUADD Y SIR
Aelodaeth	Cynghorydd Howells (Cadeirydd) YCynghorwyr Henshaw, Gordon, Gavin Hill-John, Lay, Parkhill, Robson, Sattar a/ac Stubbs

Y papurau canlynol wedi'i farcio ' i ddilyn' ar yr agenda a ddosbarthwyd yn flaenorol

4 **Gwaredu Tir yn Dumballs Road - i ddilyn** (*Tudalennau 3 - 94*)

Nid yw Atodiadau 2, 3, 4, 5, 6 a 8 yr adroddiad hwn i'w cyhoeddi am eu bod yn cynnwys gwybodaeth wedi ei heithrio yn unol â'r disgrifiad a geir ym mharagraff 14 rhan 4 a pharagraff 21 rhan 5 Atodlen 12A Deddf Llywodraeth Leol 1972.

5 **Dumballs Road - Defnyddio Pwerau Prynu Gorfodol - i ddilyn** (*Tudalennau 95 - 112*)

Nid yw Atodiad 2 yr adroddiad hwn i'w cyhoeddi am ei fod yn cynnwys gwybodaeth wedi ei heithrio yn unol â'r disgrifiad a geir ym mharagraff 14 rhan 4 a pharagraff 21 rhan 5 Atodlen 12A Deddf Llywodraeth Leol 1972.

Davina Fiore

Cyfarwyddwr Llywodraethu a Gwasanaethau Cyfreithiol

Dyddiadd: Dydd Mawrth, 8 Medi 2020

Cyswllt: Andrea Redmond, 02920 872434, a.redmond@caerdydd.gov.uk

Mae'r dudalen hon yn wag yn fwriadol

**CYNGOR CAERDYDD
CARDIFF COUNCIL**

ECONOMY & CULTURE SCRUTINY COMMITTEE

14 September 2020

**DISPOSAL OF LAND AT DUMBALLS ROAD
PRE-DECISION SCRUTINY**

Appendices 2, 3, 4, 5, 6 & 8 of the Cabinet Report are not for publication as they contain exempt information of the description contained in paragraph 14 of Part 4 and paragraph 21 of Part 5 of Schedule 12A of the Local Government Act 1972. It is viewed that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Purpose of the Report

1. To give Members background information to aid the scrutiny of the draft report to Cabinet regarding the disposal of Council owned land at Dumballs Road to Vastint and the relocation of a business, which is due to be considered by Cabinet at their meeting on 17 September 2020.
2. Members should note that **Appendices 2, 3, 4, 5, 6 & 8** of the Cabinet report are exempt from publication. Members are requested to keep this information confidential, in line with their responsibilities as set out in the Members Code of Conduct and the Cardiff Undertaking for Councillors.

Scope of Scrutiny

3. At their meeting on 17 September 2020, the Cabinet will consider a report that updates Cabinet on the Dumballs Road regeneration scheme and seeks cabinet approval to dispose of 8.5 acres of Council owned land and to relocate a local business from Dumballs Road onto other Council owned land.
4. During this scrutiny, Members have the opportunity to explore:
 - i) The proposed Heads of Term for the disposal of the 8.5 acres of council owned land;

- ii) The proposed Unilateral Undertaking between the Council and Vastint, which includes details re affordable housing contributions;
- iii) Proposals to relocate a local business from Dumballs Road to other Council owned land;
- iv) The Financial Implications of the above for the Council, including VAT implications;
- v) The proposed use for the capital receipt received following disposal;
- vi) Legal Implications;
- vii) Whether there are any risks to the Council;
- viii) The timeline and next steps for delivering the regeneration scheme;
- ix) The recommendations to Cabinet.

Structure of the meeting

- 5. The Chair will move that this item be considered in two parts: an open session, where Members will be able to ask questions on the issues and papers that are in the public domain, which are the report to Cabinet, Appendix 1 and Appendix 7; and a closed session, where members of the public will be excluded, where Members can ask questions that pertain to **Appendices 2, 3, 4, 5, 6 & 8**.
- 6. Members will hear from Councillor Russell Goodway (Cabinet Member – Investment and Development) and Neil Hanratty (Director of Economic Development), Chris Barnett (Operational Manager) and Eirian Jones (Principal Surveyor). There will be a presentation taking Members through the proposals and recommendations to Cabinet, followed by Members questions.
- 7. Members will then be able to decide what comments, observations or recommendations they wish to pass on to the Cabinet for their consideration prior to making their decisions.

Background

- 8. The Dumballs Road site is a circa 40 acres brownfield site, south of Central Train Station and Callaghan Square, allocated in the Local Development Plan for housing-led mixed-use developments. On 1 December 2016, Cabinet received a

report¹ setting out proposals from Vastint² to regenerate the area, delivering up to 2,000 new homes, including affordable housing, commercial use and community use and providing jobs during the construction phase and beyond.

9. The 1 December 2016 Cabinet report highlights the primary issues facing regeneration of Dumballs Road, which are complicated land ownership arrangements and site abnormalities. To assist with this, the report sought permission for the Council to purchase 12.6 acres of the site and work in partnership with Vastint to develop a master plan, with Heads of Terms and a Memorandum of Understanding underpinning this. The report to Cabinet also sought permission to dispose of a council building at Bessemer Close to provide a suitable relocation site for a business from the Dumballs Road area.
10. Following consideration of the report, including confidential information and a presentation by Vastint, Cabinet approved the recommendations, including that:

3) The receipt from the disposal of the former Depot Building at Bessemer Close be ring fenced to enhance the allocated capital budget being used to acquire the land at Dumballs Road outlined in this report and illustrated in Appendix 2.

4) that the required level of capital allocation from the Central Enterprise Zone (CEZ) budget is brought forward from future years to the current financial year, as set out in Appendix 8.'

11. Since then, the Council has worked with Vastint in developing a comprehensive approach to the regeneration of the area, leading to new proposals that build on some of the key development principles already established through the planning process, including:

- i) Integration of sustainable travel opportunities
- ii) Maximising the potential of the river frontage
- iii) Providing high quality urban public spaces
- iv) Providing high quality standards of design.

¹ Available at: <http://cardiff.moderngov.co.uk/mgAi.aspx?ID=7214&LLL=0>

² Vastint is the property arm of the IKEA group

12. In May 2019, Cabinet approved recommendations to note the new delivery timeline for Dumballs Road and to give delegated authority³ to agree Heads of Terms for the disposal of Council owned land to Vastint, with a further report to Cabinet required to seek authority to proceed.
13. The report to Cabinet in May 2019 stated that the capital receipt resulting from the disposal of land identified in the report is to be used as part of an affordability envelope for the Indoor Arena, approved as part of the 2019/20 budget process. The report also identifies that *'the Council will need to assess the VAT implications arising from this significant land transaction, particularly any potential impact on the Council's partial exemption position. This will need to be a consideration in agreeing any final Heads of Terms, with specialist advice to be sought where necessary.'*⁴
14. In terms of the financial contribution of the Council, Cabinet agreed at their meeting on 1 December 2016 to purchase land at Dumballs Road to assist in progressing the scheme, using funds allocated in the Council's Capital Programme for the Cardiff Enterprise Zone. In addition, the financial implications section of the report to Cabinet 1 December 2016 stated that the Council would become responsible for 'vacant site holding costs', which would crystallise incrementally as landowners transfer their operations to alternative premises elsewhere in the city. These costs would be met from the Cardiff Enterprise Zone Corporate Revenue Budget.

Structure of Report to Cabinet

15. The draft report to Cabinet entitled '***Disposal of Land at Dumballs Road***' is attached at **Appendix A** and has **eight** appendices:
- **Appendix 1** - Site Plan Dumballs Road
 - **Appendix 2** - Confidential - Masterplan
 - **Appendix 3** - Confidential – Heads of Terms (Dumballs Road)

³ Delegated authority given to the Director of Economic Development in consultation with the Cabinet Member for Investment & Development, the Section 151 Officer, the Corporate Director People and Communities and the Legal Officer

⁴ Point 22, Financial Implications, Dumballs Road Regeneration Scheme Report to Cabinet 19 May 2019

- **Appendix 4** - Confidential – Market Valuation Report
- **Appendix 5** – Confidential – Unilateral Undertaking
- **Appendix 6** – Confidential – Tenancy Schedule
- **Appendix 7** – Site Plan Hadfield Road
- **Appendix 8** – Confidential – Heads of Terms (Hadfield Close).

Issues identified in the Cabinet Report

16. The report to Cabinet outlines that Vastint has progressed land assembly to the point where the only outstanding item of land assembly required to enable a planning application to be submitted is the acquisition of land from Cardiff Council.

17. Vastint and the Council have negotiated Heads of Terms for the disposal, at **Confidential Appendix 3**, underpinned by a valuation report, at **Confidential Appendix 4**. The report to Cabinet states, at **Point 15**, that:

‘The Council has recouped all of its outlay to acquire the site and this is set out in the independent valuation report attached as Confidential Appendix 4.’

18. **Point 19** of the report to Cabinet states that notice has been served on those leasing land, to obtain vacant possession of the land prior to disposal.

19. The Council and Vastint have agreed draft terms for a Unilateral Undertaking, which is attached at **Confidential Appendix 5**. This guarantees a minimum 12.5% affordable housing, as per previous planning permission for this site. The report to Cabinet states, at **Point 18**, that the Council has agreed with Vastint an Option to purchase a further 100 units over and above the affordable housing contribution, as a package deal. It goes on to state:

‘The Council will decide at a later date if it is beneficial to acquire these additional homes at Dumballs Road, or whether to invest further in the delivery of new Council homes on the former Gasworks site, or a combination of both.’

20. With regard to the relocation of a local business to other Council owned land, the report to Cabinet states that this will be via a lease arrangement, on the basis that

the new tenant clears the site; the site is shown at **Appendix 7** and the Heads of Terms are at **Confidential Appendix 8**.

21. Members' attention is drawn to the Financial Implications section of the report to Cabinet, at **points 25-31**, which cover the Unilateral Undertaking and VAT implications.

Proposed Recommendations to Cabinet

22. The report to Cabinet contains the following recommendations:

'Cabinet is recommend to:

- i) Delegate authority to the Director of Economic Development, in consultation with the Cabinet Member for Investment and Development, the Monitoring Officer and the Section 151 officer to:*
 - 1) Conclude the sale of land marked red in the site plan attached at Appendix 1 and in line with the terms set out at Confidential Appendix 3.*
 - 2) Conclude the terms of the draft Unilateral Undertaking to be provided by Vastint to the Council as set out in Confidential Appendix 5 with such minor amendments that may be required by the Corporate Director for People and Communities.*
 - 3) Conclude the lease for the relocation of a business from Dumballs Road to property owned by the Council at Hadfield Close illustrated by the site plan at Appendix 7 and in line with the terms set out at Confidential Appendix 8.*
- ii) Delegate authority to the Corporate Director People and Communities in consultation with Head of Estates to negotiate an option agreement for the acquisition of a further 100 homes and to report back to a future meeting of Cabinet for approval.'*

Consultation Undertaken

23. The report to Cabinet states that *'Local Members are aware of the proposals and will be consulted as part of the planning process.'*

Previous Scrutiny

24. This Committee undertook policy development scrutiny of the Dumballs Road regeneration proposals at their meeting on 11 October 2018. A copy of the Chair's letter and the response received, is attached at **Appendix B**. Overall, Members were supportive of the approach taken by Vastint and the Council.
25. The Committee undertook pre-decision scrutiny of the Dumballs Road regeneration scheme at their meeting on 9 May 2019, prior to the report being considered by Cabinet at their meeting on 16 May 2019.
26. Following their scrutiny, the Chair, Councillor Nigel Howells, wrote to Neil Hanratty, Director of Economic Development, stating⁵:
- i) *'thank you for clarifying...that there are no costs to the Council with regard to site 'meanwhile uses' currently or in the future';*
 - ii) *'That there will be opportunities for ground floor (employment) usage, particularly along the riverfront and particularly for creative industries, as well as cultural, leisure and commercial office usage';*
 - iii) *Members have asked me to reiterate their strong desire for the Dumballs Road regeneration to lead the way in demonstrating the achievability of mixed-use spaces that enable residents to live and work in the same location, which will help to tackle the climate change emergency we face as discussed at our last Council meeting';*
 - iv) *'Members have asked that I stress that the points we made following our scrutiny in October 2018 still stand and we will look to see how these have been addressed when we scrutinise future proposals for this site.'*

Way Forward

27. Councillor Russell Goodway (Cabinet Member – Investment and Development) will be invited to make a statement. Neil Hanratty (Director of Economic Development) Chris Barnett (Operational Manager) and Eirian Jones (Principal

⁵ Extracts taken from the Public Letter from Councillor Howells, Chair Economy & Culture Scrutiny Committee, to Neil Hanratty, Director of Economic Development, dated 13 May 2019.

Surveyor) will attend to give a presentation and answer Members' questions on the proposals.

28. All Members are reminded of the need to maintain confidentiality with regard to the information provided in **Appendices 2, 3, 4, 5, 6 & 8**. Members will be invited to agree the meeting go into closed session to enable discussion of this information.

Legal Implications

29. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters, there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

Financial Implications

30. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters, there are no direct financial implications at this stage in relation to any of the work programme. However, financial implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations

for decision that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

RECOMMENDATION

The Committee is recommended to:

- i) Consider the information in this report, its appendices and the information presented at the meeting;
- ii) Determine whether they would like to make any comments, observations or recommendations to the Cabinet on this matter in time for its meeting on 17 September 2020; and
- iii) Decide the way forward for any future scrutiny of the issues discussed.

DAVINA FIORE

Director of Governance & Legal Services

8 September 2020

Mae'r dudalen hon yn wag yn fwriadol

DISPOSAL OF LAND AT DUMBALLS ROAD

**INVESTMENT & DEVELOPMENT (COUNCILLOR RUSSELL
GOODWAY)**

AGENDA ITEM:13

Appendix 2, 3, 4, 5, 6 & 8 of this report are not for publication as they contain exempt information of the description contained in paragraphs 14 of part 4 and paragraph 21 of part 5 of Schedule 12A of the Local Government Act 1972.

Reason for this Report

1. To provide Cabinet with an update on the work undertaken by Vastint to progress the land assembly at Dumballs Road.
2. To seek authority to dispose of Council owned land at Dumballs Road to Vastint as outlined in the Cabinet Report of May 2019 to enable a comprehensive housing-led mixed use regeneration scheme to commence.

Background

3. Dumballs Road is a strategic development site located immediately south of Cardiff Central Station providing one of the main arterial links between the city centre and Cardiff Bay.
4. Historically the area has accommodated low-density industrial uses and has suffered numerous unsuccessful attempts at redevelopment, largely due to complicated land ownership arrangements and the cost implications of significant site abnormalities. As a consequence the site has remained largely derelict and under-developed for over three decades.
5. The Dumballs Road area was included as a strategic brownfield site in the Cardiff Local Development Plan (LDP) approved in 2016 and is earmarked to deliver circa 2,000 of the 20,000 homes planned for brownfield land. The site is one of only two strategic brownfield sites in the LDP; the other is the Former Gas Works site at Ferry Road.
6. In 2013, planning permission was granted for a housing-led mixed use development on the Dumballs Road site providing 2,150 new homes, of

which 269 homes (12.5%) were required to be affordable. The permission, now lapsed, also included more than 400,000 ft² of commercial space, circa 30,000 ft² of retail space and other community facilities.

7. The strategic importance of the site is reflected in the political administration's policy statement Capital Ambition which establishes a priority to *"Work with developers to transform Dumballs Road through a mixed-use development, and improve cycling and walking routes between the city centre and Cardiff Bay"*. The Council's Economic Strategy approved in April 2019 noted the ambition to *bring forward developments that will better connect the city centre to the Bay including the regeneration of Dumballs Road* and noted that *"The proposed Dumballs Road development will connect the city centre to the Bay, as well as opening up the city's riverfront. The development will also complement the Central Quay proposals, providing a mixed-use footprint that will provide homes, jobs and new open spaces for Cardiff residents. Currently the site is dominated by low density activities that don't reflect the area's city centre location and potential for commercial and residential development."*
8. The Council's Corporate Plan, which outlines how Capital Ambition will be delivered also establishes a commitment to *"Commencing delivery of a new mixed-use development at Dumballs Road by 2021, including the delivery of 2,000 homes."*
9. In 2017, Cardiff Council and the development company Vastint acquired circa 30 acres of land south of Penarth Road between the River Taff and Dumballs Road: 8.5 acres acquired by the Council (see Appendix 1); with the remainder acquired by Vastint.
10. Vastint is the property arm of Interogo Holding AG, the investment business of the Inter IKEA Group. Vastint has over 30 years of experience in large scale property development across Europe, mainly in the office, hotel and residential sectors. The company is long-term in its approach, preferring to hold the developments it delivers as long-term investments.
11. Vastint has been active in the UK market for 10 years and has made good progress on the development of two other large mixed-use schemes in addition to Dumballs Road: at Sugar House Island in London; and Aire Park, the former Tetley Brewery site in Leeds. The Stratford project extends to circa 25 acres of land where planning consent has been secured to build 200,000 sq m including 60,000 sq m of commercial space, 1200 residential units and a 350 bed hotel. In 2020 the first 8,000 sq.m of workspace has been completed in addition to the first 161 homes. Aire Park in Leeds extends to circa 20 acres and was acquired in October 2015. The first detailed consents have been secured in 2020 and construction of the first phase of city park and two office buildings totalling circa 30,000 sq.m are due to start on site in early 2021.
12. Since 2017, Vastint has continued to acquire land to enable a comprehensive regeneration and the total combined area of land now

owned by the Council and Vastint totals just short of 40 acres. Due to the scale of the development site and the extent of work required to prepare the site for residential development (given its previous industrial use) a comprehensive approach to site remediation is required to make it affordable and deliverable. Vastint is now close to finalising the acquisition of all required parcels of land and has managed the relocation of businesses to new locations to enable works to commence.

13. In May 2019 a report was presented to Cabinet providing an update on the scheme and setting out the issues faced by Vastint in regard to land assembly. The report made clear that the conclusion of land assembly would trigger the submission of a planning application. Vastint has now progressed to the point where the only outstanding item of land assembly required to enable a planning application to be submitted is the acquisition of land from Cardiff Council. The report to Cabinet in May 2019 delegated authority to the Director of Economic Development in consultation with the Cabinet Member for Investment and Development, the Section 151 Officer, Corporate Director People & Communities and the Legal Officer *to agree Heads of Terms for the disposal of the site and to return to a future meeting of Cabinet for authority to proceed.*
14. Since 2019, Vastint has also worked to develop a strategic masterplan (Confidential Appendix 2) for the regeneration of the site, including the preparation of a planning application and has begun 'pre-planning' discussions with the Local Planning Authority.

Issues

15. The Heads of Terms for the disposal of the Council's land interest at Dumballs Road to Vastint are attached at Confidential Appendix 3. The Council has recouped all of its outlay to acquire the site and this is set out in the independent valuation report attached as Confidential Appendix 4.
16. Given that the disposal of land to Vastint will be concluded in advance of planning the Council and Vastint have agreed draft terms for a Unilateral Undertaking to guarantee a minimum of 12.5% affordable housing contribution as set out in Confidential Appendix 5. This guarantees at least the same level of affordable housing contribution as the previous lapsed planning permission. The Local Planning Authority will still aim to secure the full 20% affordable housing contribution requirement for brownfield developments through the planning process. However, given the significant challenges associated with bringing the site forward for development, the Council has taken the step to mitigate the risk of the affordable housing requirement being eroded by future viability assessment through the planning process, and secured agreement from Vastint to provide at least the same level required by the last approved scheme, as a minimum contribution.
17. Since the last update to Cabinet in May 2019, the Council has acquired the former Gasworks site in Grangetown, which was identified in the LDP as the only other strategic brownfield residential site along with Dumballs

Road. The former Gasworks site has also proven difficult to bring forward for development. The Council is committed to delivering a significant number of new Council homes on the former Gasworks site as well as on the Dumballs Road site and is currently undertaking detailed commercial due diligence and site investigation to determine what can be achieved.

18. In order to ensure the greatest number of new Council homes are delivered within finite resources, the Council has agreed the principle of an Option with Vastint to purchase a further 100 units of Council homes as a package deal over and above the final affordable housing contribution. The Council will decide at a later date if it is beneficial to acquire these additional homes at Dumballs Road, or whether to invest further in the delivery of new Council homes on the former Gasworks site, or a combination of both.

Local Business Relocations

19. The land subject to disposal has been leased over the past two years as part of the Council's cost mitigation on holding vacant buildings (Confidential Appendix 6). The leases have three months notice periods and notice has been served in order to deliver vacant possession to Vastint.
20. As part of this, an existing business on Dumballs Road requires relocation to enable vacant possession and therefore the Council has offered to relocate the business to an alternative Council owned facility illustrated by the site plan attached as Appendix 7 and in line with the Heads of Terms attached as Confidential Appendix 8. The land was previously earmarked for disposal but given the condition of the site the Council now intends to enter into a lease arrangement on the basis that the new Tenant clears the site for occupation.
21. Vastint has spent a number of years acquiring freehold interests in the Dumballs Road area and the acquisition of the 8.5 acres of Council owned land will facilitate a substantially completed land assembly. However, there are a number of small pockets and parcels of land which are required to provide full and clean title. A separate report is presented at this Cabinet meeting to seek permission to give notice of the Council's intention to use Compulsory Purchase Powers to facilitate the development.

Local Member consultation

22. Local Members are aware of the proposals and will be consulted as part of the planning process.

Scrutiny Consideration

23. The Economy & Culture Scrutiny Committee is due to consider this report on 14 September 2020. Any comments received will be reported to the Cabinet meeting.

Reason for Recommendations

24. To update Cabinet on the Dumballs Road regeneration scheme and to seek authority to dispose of Council land and to relocate a local business to enable the development.

Financial Implications

25. This report seeks delegated authority to agree Heads of Terms for the disposal of Council owned land at Dumballs Road to the developer (Vastint) as set out in Confidential Appendix 3. An independent market valuation report is also attached as Confidential Appendix 4 confirming the disposal of land is at market value.
26. Subject to a number of conditions of exchange being met and the disposal being completed, the Council would receive a capital receipt similar to the value it initially paid to acquire the land in December 2016.
27. As per the tenancy schedule within Confidential Appendix 6, some tenants remain in-situ at present and the site will therefore be disposed of as a Transfer of Going Concern (TOGC). Any loss of rental income associated with these leases, as well as any costs of relocating these businesses elsewhere, will need to be managed within existing service area budgets.
28. The proposal also involves the disposal of land deemed by Strategic estates to be surplus to Council requirements, via a lease agreement. This will generate a rental income as part of the investment property estate, as set out in the heads of terms attached to this report.
29. The developer is to provide a Unilateral Undertaking for the provision of affordable housing. The agreement for sale also includes an option for the Council to purchase up to 100 additional homes. If this option were to be taken up in future years, a budget would need to be made available for this purpose.
30. The report also notes the need for a separate report to Cabinet to seek authority to authorise the principle of making a Compulsory Purchase process in order to secure all interests in the remaining small parcels of land, and also to appropriate existing Council land prior to sale for planning purposes. The developer has agreed to indemnify the Council against all resulting costs of such a process if required.
31. The Council will need to assess the VAT implications arising from this significant land transaction, particularly any potential impact on the Council's partial exemption position. Specialist VAT has been sought and relevant actions will need to be taken prior to the disposal being completed.

Legal Implications

32. The Council has general power to dispose of land pursuant to s.123 of the

Local Government Act 1972 and is required to secure the best price reasonably obtainable. Where land held or has been appropriated by the Council is held for planning purposes, specific power of disposal is available under s.233 of the Town and Country Planning Act 1990 to secure the best use of land or buildings or to secure the erection or construction of any buildings or works for the proper planning of its area.

33. The Council's Acquisition and Disposal of Land Procedure Rule require advice to be obtained from the Council's Valuer as to the terms of the disposal and option.
34. The Council has to be mindful of the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards when making any policy decisions and consider the impact upon the Welsh language and the report deals with all these obligations. The Council has to consider the Well-being of Future Generations (Wales) Act 2015 and how this strategy may improve the social, economic, environmental and cultural well-being of Wales.
35. The Well-Being of Future Generations (Wales) Act 2015 ('the Act') places a 'well-being duty' on public bodies aimed at achieving 7 national well-being goals for Wales - a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language, and is globally responsible.
36. In discharging its duties under the Act, the Council has set and published well being objectives designed to maximise its contribution to achieving the national well being goals. The well being objectives are set out in Cardiff's Corporate Plan 2019-22: <https://www.cardiff.gov.uk/ENG/Your-Council/Strategies-plans-and-policies/Corporate-Plan/Pages/Corporate-Plan.aspx> When exercising its functions, the Council is required to take all reasonable steps to meet its well being objectives. This means that the decision makers should consider how the proposed decision will contribute towards meeting the well being objectives and must be satisfied that all reasonable steps have been taken to meet those objectives.
37. The well-being duty also requires the Council to act in accordance with a 'sustainable development principle'. This principle requires the Council to act in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs. Put simply, this means that Council decision makers must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, the Council must:
 - Look to the long term
 - Focus on prevention by understanding the root causes of problems
 - Deliver an integrated approach to achieving the 7 national well-being goals
 - Work in collaboration with others to find shared sustainable solutions
 - Involve people from all sections of the community in the decisions which affect them

38. The decision maker must be satisfied that the proposed decision accords with the principles above; and due regard must be given to the Statutory Guidance issued by the Welsh Ministers, which is accessible using the link below: <http://gov.wales/topics/people-and-communities/people/future-generations-act/statutory-guidance/?lang=en>
39. The Council has to satisfy its public sector duties under the Equalities Act 2010 (including specific Welsh public sector duties) – the Public Sector Equality Duties (PSED). These duties require the Council to have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of ‘protected characteristics’. The ‘Protected characteristics’ are: • Age • Gender reassignment • Sex • Race – including ethnic or national origin, colour or nationality • Disability • Pregnancy and maternity • Marriage and civil partnership • Sexual orientation • Religion or belief – including lack of belief.

Property Implications

40. The recommendations outlined in this report have been prepared in conjunction with the property and estates team and external professional advice has been sought where necessary in order to support the Council to prepare and implement these recommendations. The team will continue to work with the legal and finance departments as required.

RECOMMENDATIONS

Cabinet is recommend to:

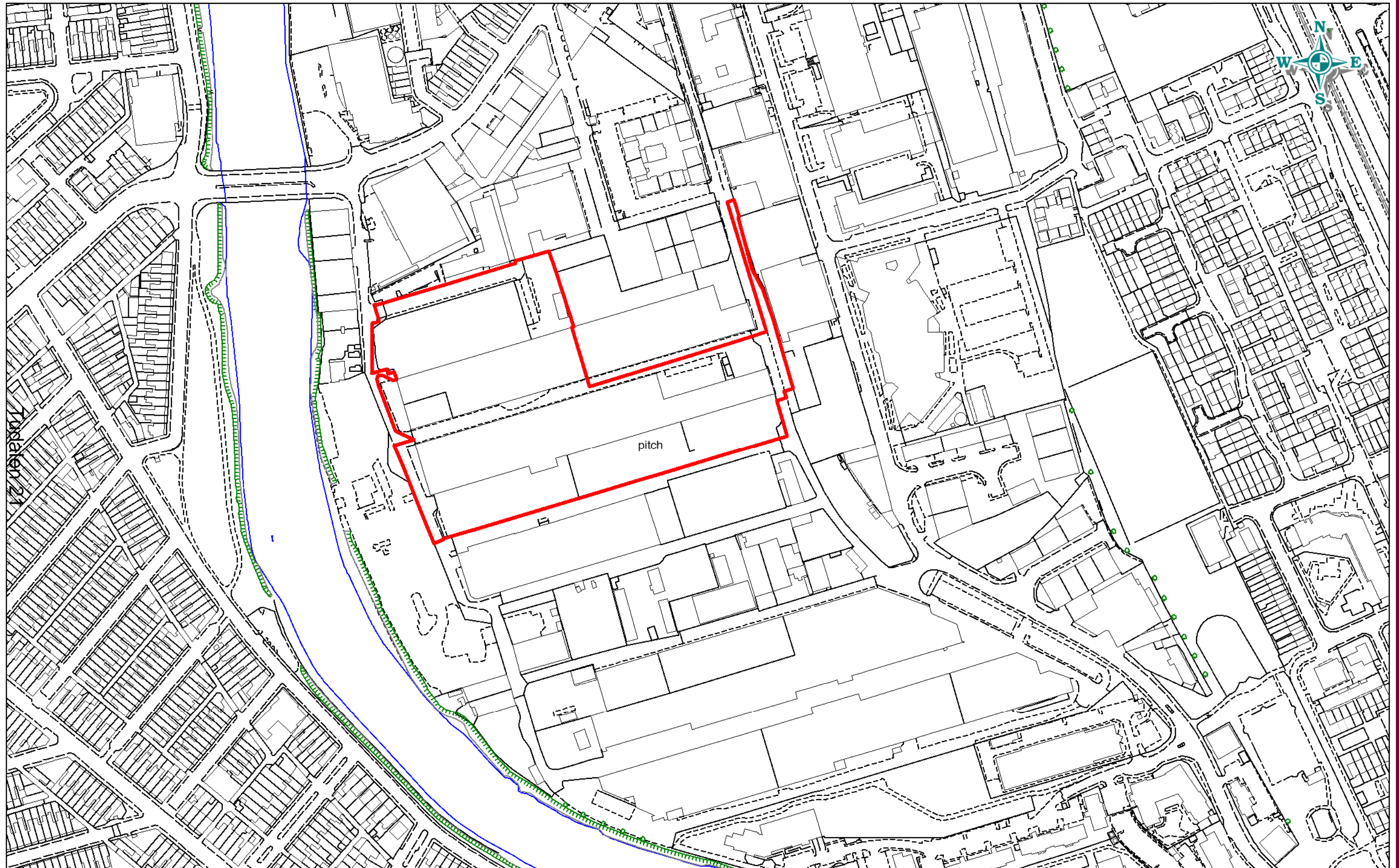
- i) Delegate authority to the Director of Economic Development, in consultation with the Cabinet Member for Investment and Development, the Monitoring Officer and the Section 151 officer to:
 - 1) Conclude the sale of land marked red in the site plan attached at Appendix 1 and in line with the terms set out at Confidential Appendix 3.
 - 2) Conclude the terms of the draft Unilateral Undertaking to be provided by Vastint to the Council as set out in Confidential Appendix 5 with such minor amendments that may be required by the Corporate Director for People and Communities.
 - 3) Conclude the lease for the relocation of a business from Dumballs Road to property owned by the Council at Hadfield Close illustrated by the site plan at Appendix 7 and in line with the terms set out at Confidential Appendix 8.
- ii) Delegate authority to Corporate Director People and Communities in consultation with Head of Estates to negotiate an option agreement for the acquisition of a further 100 homes and to report back to a future meeting of Cabinet for approval.

SENIOR RESPONSIBLE OFFICER	Neil Hanratty
	Director of Economic Development 11 September 2020

The following appendices are attached:

- Appendix 1 - Site Plan Dumballs Road
- Confidential Appendix 2 - Masterplan
- Confidential Appendix 3 - Heads of Terms (Dumballs Road)
- Confidential Appendix 4 - Market Valuation Report
- Confidential Appendix 5 - Unilateral Undertaking
- Confidential Appendix 6 – Tenancy Schedule
- Appendix 7 - Site plan Hadfield Road
- Confidential Appendix 8 - Heads of Terms (Hadfield Close)

Dumballs Road



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Adolygiadau / Revisions :



Gweithio dros Gaerdydd, gweithio gyda'n gilydd
Working for Cardiff, working together

Ffeli / Enw llywy / Project / Dylunad Rhif. / File / Pathname / Project / Drawing No.
R : \propinfo2\ dumballroad\ demiseplan-ej.WOR
Llunwyd gan / Drawn By : LHC Dyddiad / Date : 29/8/19
Graddfa / Scale : 1 : 2500 Cyf Adolygiad / Revision Ref. :
Cyfarwyddwr / Director : Neil Hanratty

Mae'r dudalen hon yn wag yn fwiadol

Yn rhinwedd paragraff (au) 14, 21 Rhan (nau) 4 a 5 o Atodlen 12A
o Ddeddf Llywodraeth Leol 1972.

Mynediad Cyfyngedig i'r Ddogfen

Mae'r dudalen hon yn wag yn fwriadol

Yn rhinwedd paragraff (au) 14, 21 Rhan (nau) 4 a 5 o Atodlen 12A
o Ddeddf Llywodraeth Leol 1972.

Mynediad Cyfyngedig i'r Ddogfen

Mae'r dudalen hon yn wag yn fwriadol

Yn rhinwedd paragraff (au) 14, 21 Rhan (nau) 4 a 5 o Atodlen 12A
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Mynediad Cyfyngedig i'r Ddogfen

Mae'r dudalen hon yn wag yn fwriadol

Yn rhinwedd paragraff (au) 14, 21 Rhan (nau) 4 a 5 o Atodlen 12A
o Ddeddf Llywodraeth Leol 1972.

Mynediad Cyfyngedig i'r Ddogfen

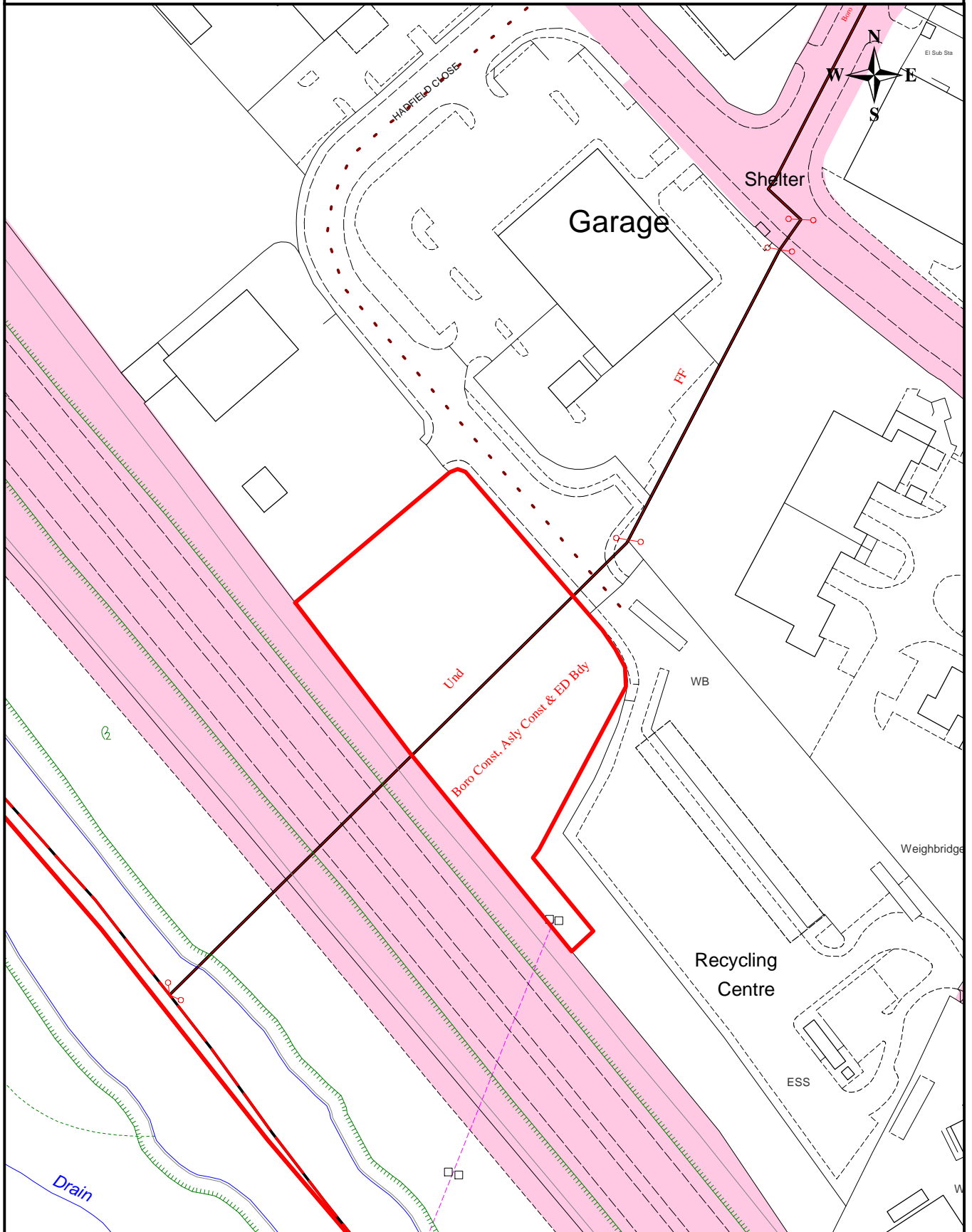
Mae'r dudalen hon yn wag yn fwriadol

Yn rhinwedd paragraff (au) 14, 21 Rhan (nau) 4 a 5 o Atodlen 12A
o Ddeddf Llywodraeth Leol 1972.

Mynediad Cyfyngedig i'r Ddogfen

Mae'r dudalen hon yn wag yn fwriadol

Land at Hadfield Close - 0.97 acres



Rev No.		Details	Based upon Ordnance Survey 1:1250 mapping with the permission of Her Majesty's Stationery Office © Crown Copyright. Unauthorised reproduction infringes Crown Copyright and may lead to prosecution or civil proceedings. Cardiff County Council 100023376 (2016)		
		Drawn by C776052	Scale 1:1250	Date 05/07/2018	Strategic Estates Division Cardiff County Council County Hall Cardiff CF10 4UW
		File Pathname / Project / Drawing No.			Director - Neil Hanratty



Mae'r dudalen hon yn wag yn fwriadol

Yn rhinwedd paragraff (au) 14, 21 Rhan (nau) 4 a 5 o Atodlen 12A
o Ddeddf Llywodraeth Leol 1972.

Mynediad Cyfyngedig i'r Ddogfen

Mae'r dudalen hon yn wag yn fwriadol

Date: 16 October 2018

Councillor Russell Goodway
Cabinet Member, Investment and Development
Cardiff Council
County Hall
Cardiff
CF10 4UW



County Hall
Cardiff,
CF10 4UW
Tel: (029) 2087 2087

Neuadd y Sir
Caerdydd,
CF10 4UW
Ffôn: (029) 2087 2088

Dear Councillor Goodway,

Economy & Culture Scrutiny Committee: 11 October 2018

Members have asked I pass on their sincere thanks to you, Andrew Cobden (Vastint) and Neil Hanratty for attending our meeting to provide an update on plans to regenerate the Dumballs Road site.

Overall, Members are supportive of the design concepts explained by Andrew as underpinning the master-planning process. Members particularly appreciate the commitment to creating mixed, balanced communities in a development that integrates with surrounding areas, both North/ South and East/ West.

Improved connectivity is central to whether this redevelopment is successful and Members are pleased to note the commitment to creating routes to connect with the communities of Grangetown and Butetown as well as into the city centre and Cardiff Bay. We note the intention to utilise the river water taxi system as well as to have a new bridge for pedestrians and cyclists, connecting the site to Grangetown, and cycle routes through the site. Members would like to know whether the latter would form part of one of the Council's Cycle Superhighways and ask that this be clarified in your response to this letter. Members also note the aspiration for the proposed Metro system to serve this redevelopment, via routes along Lloyd George Avenue and Dumballs Road. All of these transport modes will help to boost Cardiff's economy, whilst at the same time reducing reliance on cars, which we applaud.

Members are also pleased to note the commitment to providing green and open spaces in the redevelopment, both private courtyards and publically accessible 'fingers' of green space running East/West to boost sight lines and connectivity, and open squares. We note discussions are on-going regarding whether to have a higher number of slimmer routes and squares or whether to 'mass' these and have a smaller number. Members can see the advantages of both and await further plans to see how green, open spaces can be best integrated; however, Members are clear that they would not support any diminution of overall amount of green and/ or open

space. Members also discussed the on-going maintenance of these spaces and, in your response to this letter, would like your views as to whether the Council will adopt the spaces or whether Vastint will use service charges to pay for a management company to maintain them.

Members are supportive of Vastint's stated aim of keeping to 6-8 storeys for most buildings on the development, as we believe this provides the right contrast to the city centre and Cardiff Bay skylines. We were pleased to hear the commitment to ensuring appropriate ground floor usage, to create an active environment with a mix of uses including some commercial.

Concerning commercial units, Members note the intention to locate some along the river frontage, with most units being within the centre of the development. Members agree with the intent to move from heavier industrial uses towards different types of commercial use, including spaces for creative industries and co-working enterprises. Members hope that these spaces could also accommodate lighter, craft-style industries, such as ceramics. Our on-going work on the need for Workshops and Innovation premises has demonstrated to us that there is significant demand for these types of spaces. We recommend that Vastint talk to the Creative Industries departments at Cardiff University, Cardiff Metropolitan University and the University of South Wales for further insight into their student and alumni experiences, which may help Vastint to frame their commercial offer to meet local demand.

Members were interested to hear that Vastint and the Council are working with existing tenants to help them to relocate to appropriate sites and were pleased to see that most of these have stayed in Cardiff.

Given the time period for redeveloping the site, Members were pleased to hear that work is underway to identify suitable 'meanwhile' uses for spaces, to attract footfall and utilise available space. Again, it may be worthwhile speaking to the local universities and to the Creative Cardiff network, which may have some interesting ideas for how to use the space productively and sympathetically during the redevelopment phases.

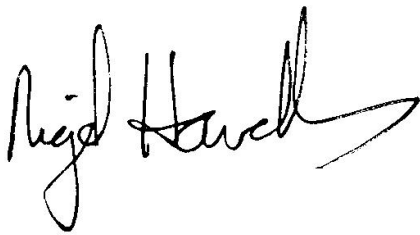
This is a large-scale redevelopment, resulting in possible employment and training opportunities for the local population. Members were pleased to hear Neil Hanratty commit to ensuring that the Council will help to establish links between Vastint and the Cardiff & Vale College, located next to the site, which runs several relevant courses, including construction, in order to ensure training opportunities are maximised.

Members recognise the complexity of land assembly for this site and note that the Council may use Compulsory Purchase Orders in order to ensure the redevelopment takes place; as stated at the meeting, it is to be hoped that this does not prove necessary but, if it is required, Members fully support their use.

Finally, Members note the reassurance provided at the meeting that there are no other known or anticipated further costs to the Council. Members are impressed with the co-operative manner that Vastint has demonstrated in the collaborative master-planning to date and believe that the scale of the development is both exciting and feasible. We look forward to seeing more details and ask that you liaise with Scrutiny Services to ensure this happens at the appropriate time.

Once again, thank you for your attendance. This letter requires a response, please, as it contains requests for information.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Nigel Howells', with a stylized flourish at the end.

COUNCILLOR NIGEL HOWELLS
CHAIR, ECONOMY & CULTURE SCRUTINY COMMITTEE

cc Members of the Economy & Culture Scrutiny Committee
 Andrew Cobden – Managing Director, Vastint
 Neil Hanratty Clair James Cabinet Support Office

Mae'r dudalen hon yn wag yn fwriadol

County Councillor Russell Goodway
Cabinet Member, Investment & Development

My ref : RVG/Scrutiny/CM40462

Your ref : T: Scrutiny/Correspondence/Cllr NH

2 April 2019

County Councillor Nigel Howells
Chair, Economy & Culture Scrutiny Committee

By email: nhowells@cardiff.gov.uk



Dear Nigel

DUMBALLS ROAD

I refer to your letter dated 16 October 2018 and I apologise for the delay in replying to you.

I am grateful for the support of your committee for this project and we have taken on board the various views expressed both at the meeting and in your letter.

I have asked that the Council's Transport Strategy team to consider the matter you raised regarding cycle superhighways as part of the development. They will explore precisely the extent of any commitment we can make in this regard.

I can confirm that there will be no diminution of green or open space as part of the development. Indeed, we see the provision of new open spaces in the Dumballs Road area as a key benefit of the development. It is the intention that Vastint will manage the public open space through service charges.

In terms of commercial units, we will certainly ensure that Vastint link with the city's universities as well as other industry networks to consider how they can meet demand. We will also share with Vastint the work of the Scrutiny Committee on innovation and workshop space.

In the meanwhile, we have continued to make progress in developing Heads of Terms for the disposal of the council's landholdings on the site along with an agreement for the delivery of some 450 units will transfer to the Council and be managed as part of our council housing stock.

/cont...

T: 07962 251439

Email: r.v.goodway@cardiff.gov.uk

Please reply to:
Cabinet Office, County Hall, Cardiff, CF10 4UW
T: 029 2087 2631

A report relating to these issues will be considered by Cabinet in the near future. That report will also outline the timetable for taking the project forward including the date by which the masterplan will be completed through to construction and occupation of the housing units.

Thank you again for your support for this project. I believe it will make a hugely positive contribution to this area of the city, and will play a crucial role in linking the city-centre with Cardiff Bay.

Best wishes,

Yours sincerely



RUSSELL GOODWAY
CABINET MEMBER, INVESTMENT & DEVELOPMENT

Copies: Neil Hanratty, Director of Economic Development.

CYNGOR CAERDYDD
CARDIFF COUNCIL

ECONOMY & CULTURE SCRUTINY COMMITTEE

14 September 2020

Dumballs Road: Use of Compulsory Purchase Powers.
PRE-DECISION SCRUTINY

Appendix 2 of the Cabinet Report is not for publication as it contains exempt information of the description contained in paragraphs 14 and 21 of Schedule 12A of the Local Government Act 1972. It is viewed that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Purpose of the Report

1. To give Members background information to aid the scrutiny of the draft report to Cabinet regarding the use of Compulsory Purchase Powers re Dumballs Road redevelopment, which is due to be considered by Cabinet at their meeting on 17 September 2020.
2. Members should note that **Appendix 2** of the Cabinet report is exempt from publication. Members are requested to keep this information confidential, in line with their responsibilities as set out in the Members Code of Conduct and the Cardiff Undertaking for Councillors.

Scope of Scrutiny

3. At their meeting on 17 September 2020, the Cabinet will consider a report that briefs Cabinet on the use of Compulsory Purchase powers and seeks cabinet approval to use these powers to carry out the preparatory works prior to commencement of the compulsory purchase process for land within the boundary of the proposed Dumballs Road redevelopment masterplan area.
4. At this meeting, Members have the opportunity to discuss any risks to the Council and how these will be managed and mitigated.

Structure of the meeting

5. The Chair will move that this item be considered in two parts: an open session, where Members will be able to ask questions on the issues and papers that are in the public domain; and a closed session, where members of the public will be excluded, where Members can ask questions that pertain to **Appendix 2**.
6. Members will hear from Councillor Russell Goodway (Cabinet Member – Investment and Development), Neil Hanratty (Director of Economic Development), Chris Barnett (Operational Manager – Major Projects) and Eirian Jones (Principal Valuer), who will be available to answer Members' questions.
7. Members will then be able to decide what comments, observations or recommendations they wish to pass on to the Cabinet for their consideration prior to making their decisions.

Background

8. The previous item at this Committee meeting also deals with Dumballs Road and contains a broad overview of the proposed development; rather than duplicate in this report, Members are asked to refer to the cover report for that item.
9. The draft report to Cabinet entitled '*Dumballs Road: Use of Compulsory Purchase Powers*' is attached at **Appendix A** and has **two** appendices:
 - **Appendix 1** - Plan – Outstanding Interests to Acquire
 - **Appendix 2** - Confidential – Acquisition of Third Party Interests.

Issues identified in the Cabinet Report

10. The report to Cabinet outlines the work that Vastint and the Council have undertaken to acquire all third party land interests at the Dumballs Road site. It highlights that there remain some parcels of land that have yet to be acquired. The report reminds Cabinet that it has previously agreed to consider the use of Compulsory Purchase Powers for land that is has not been possible for the Council or Vastint to acquire by negotiation and private treaty.

11. The report to Cabinet highlights that guidance on the use of CPOs recommends acquiring authorities conduct negotiations, with compulsory purchase being a last resort, but that *'Given the amount of time which needs to be allowed to complete the compulsory purchase process it is often sensible for the acquiring authority to initiate the formal procedures in parallel with such negotiations'*.

12. Local Authorities are able to use Compulsory Purchase Powers where they believe that such acquisition will facilitate development, redevelopment or improvement likely to contribute to promotion or improvement of economic, social and/ or environmental wellbeing. The report to Cabinet states that compulsory purchase of land in the Dumballs Road masterplan area is likely to contribute to promoting and improving all these aspects of wellbeing.

13. In terms of Financial Implications, the report to Cabinet states:

'The developer has agreed in principal to indemnify the Council against any costs arising from the CPO process as required, so on the basis the indemnity agreement with Vastint is put in place as per the recommendations of this report, there will be no direct financial implications arising from this report.'

14. The Financial Implications section also states that:

'A future Cabinet report will set out further details of any land where a CPO is required, along with relevant costs and other information required to be considered before a final decision is taken. No final decision is being sought regarding the use of Compulsory Purchase Order powers in this report.'

Proposed Recommendations to Cabinet

15. The report to Cabinet contains the following recommendations:

'Cabinet is recommended to:

- 1. Authorise the principle of making a Compulsory Purchase Order under section 226(1) (a) of the Town and Country Planning Act 1990 (as amended by the Planning and Compulsory Purchase Act 2004), and the Acquisition of Land Act 1981 to seek the acquisition of land and interests within the site shown edged red on the attached plan by way of a Compulsory Purchase Order.*
- 2. Authorise the commencement of land referencing investigations to identify and provide Cabinet with a detailed estimate of acquisition costs for all*

third party interests and land values in the land edged red on the attached plan

- 3. Authorise the making of an Indemnity Agreement with Vastint to cover the costs of the CPO process and appropriation of the land to include the legal and administrative costs of making the CPO and for those items of compensation in addition to market value of the land i.e. payments for disturbance, home loss or severance/injurious affection.*
- 4. Authorise the preparation of a Statement of Reasons.'*

Consultation Undertaken

16. The report to Cabinet states that *'local Ward members are in full support of the Masterplan and will be part of the consultation process when the planning application is submitted later this year.'*

Way Forward

17. Councillor Russell Goodway (Cabinet Member – Investment and Development) will be invited to make a statement. Neil Hanratty (Director of Economic Development) will attend to answer Members' questions on the proposals, along with Chris Barnett (Operational Manager) and Eirian Jones (Principal Valuer).
18. All Members are reminded of the need to maintain confidentiality with regard to the information provided in **Appendix 2**. Members will be invited to agree the meeting go into closed session to enable discussion of this information.

Legal Implications

19. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters, there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with

the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

Financial Implications

20. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters, there are no direct financial implications at this stage in relation to any of the work programme. However, financial implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

RECOMMENDATION

The Committee is recommended to:

- i) Consider the information in this report, its appendices and the information presented at the meeting;
- ii) Determine whether they would like to make any comments, observations or recommendations to the Cabinet on this matter in time for its meeting on 17 September 2020; and
- iii) Decide the way forward for any future scrutiny of the issues discussed.

DAVINA FIORE

Director of Governance & Legal Services

8 September 2020

Mae'r dudalen hon yn wag yn fwriadol

BY SUBMITTING THIS REPORT TO THE CABINET OFFICE, I, (DIRECTOR NAME) (DIRECTOR TITLE) AM CONFIRMING THAT THE RELEVANT CABINET MEMBER(S) ARE BRIEFED ON THIS REPORT

**CARDIFF COUNCIL
CYNGOR CAERDYDD**

CABINET MEETING: September

Dumballs Road – Use of Compulsory Purchase Powers

**Cabinet Member for Development and Investment
Councillor Russell Goodway**

AGENDA ITEM:

PORTFOLIO: INVESTMENT & DEVELOPMENT

Appendix 2 of this report is not for publication as they contain exempt information of the description contained in paragraphs 14 of part 4 and paragraph 21 of part 5 of Schedule 12A of the Local Government Act 1972.

Reason for this Report

1. To brief Cabinet Members on the use of Compulsory Purchase powers and to seek a resolution to use these powers to carry out the preparatory works prior to commencement of the compulsory purchase process to acquire all interests in land within the boundary of the proposed masterplan area.

Background

2. In contemplation of Cabinet's approval to dispose of the remaining land ownership at Dumballs Road it is anticipated that Vastint will proceed to acquire all third party land interests at the site to enable a comprehensive redevelopment of the site. However, if it is not possible for the Council and/or Vastint to acquire all of the necessary third party land interests by private treaty, the Council agreed it would consider the use of a Compulsory Purchase Powers. The Council will then appropriate the land for planning purposes.
3. It is recommended in this Report that the Council uses its powers under Section 226 (1) (a) of the Town and Country Planning Act 1990, to carry out preparatory works prior to making an Order to acquire all of interests in the land shown edged in red on the attached plan at **Appendix 1**.

4. The acquisition of the Order Lands is required to facilitate the Dumballs Road Masterplan for which we understand a planning application is to be submitted in towards the end of 2020.
5. Discussions and negotiations have and are continuing to take place between commercial agents, and known landowners and business owners/occupiers affected by the masterplan with a view to the Vastint acquiring their interests within the Order Lands. It is anticipated that subject to securing land assembly, and receiving other necessary approvals, redevelopment will begin on site in 2022.
6. The majority of the site was acquired by Vastint and the Council working in conjunction with each other since December 2016. Since that time, Vastint has acquired a number of other land parcels within and around the edges of the site, including a number of parcels around the north-east of the site and other individual plots such as Snow White Laundries and the Kwik Fit site. Vastint also acquired a relocation site for Biffa Waste on Lamby Way, and has been in negotiation with other remaining landowners over that time. **Confidential Appendix 2** provides a summary from Vastint of their negotiations to August 2020.
7. Despite, this, there are small pockets of unregistered land and in order to secure these, all parties will continue to negotiate where possible but the Cabinet are asked to agree to commence preparatory works prior to a Compulsory Purchase Order to acquire the remaining parcels.

Issues

8. In terms of assembling the land necessary for the scheme the first requirement is to acquire land by private treaty. However, if this is not successful within the timescale needed for the delivery of the scheme then the Council has the power to make a Compulsory Purchase Order. This power is derived from Section 226 (1) (a) of the Town and Country Planning Act 1990 (as amended by the Planning and Compulsory Purchase act 2004). This provides that the Council may exercise its statutory powers to compulsory acquire land where it believes that such acquisition will facilitate the carrying out of development, redevelopment or improvement on or in relation to the land. In order to exercise this power, the Council must also be satisfied that it thinks :

“that the development, redevelopment or improvement is likely to contribute to the achievement of one or more of the following objectives: (a) the promotion or improvement of the economic wellbeing of their area; (b) the promotion or improvement of the social wellbeing of their area; (c) the promotion or improvement of the environmental wellbeing of their area (Section 226 (1A).”

9. The acquisition of the sites identified in Appendix 1 will facilitate the redevelopment or improvement of the land and is likely to contribute to all of the objectives quoted above.
10. Guidance on Compulsory Purchase Process and the Crichel Down Rules (Ministry of Housing, Communities and Local Government, February 2018 (“the CPO Guidance)) states the need to seek to acquire by private treaty and sees a CPO as being used as ‘a last resort’. The CPO Guidance states :

“Compulsory purchase powers are an important tool to use as a means of assembling the land needed to help deliver social, environmental and economic change. Used properly, they can contribute towards effective and efficient urban and rural regeneration, essential infrastructure, the revitalisation of communities, and the promotion of business – leading to improvements in quality of life.”
11. It also states that :

“The compulsory purchase of land is intended as a last resort in the event that attempts to acquire by agreement fail, Acquiring authorities should nevertheless consider at what point the land they are seeking to acquire will be needed and, as a contingent measure should plan a compulsory purchase timetable at the same time as conducting negotiations. Given the amount of time which needs to be allowed to complete the compulsory purchase process it is often sensible for the acquiring authority to initiate the formal procedures in parallel with such negotiations”.

Local Member consultation (where appropriate)

12. Local Ward members are in full support of the Masterplan and will be part of the consultation process when the planning application is submitted later this year.

Reason for Recommendations

13. The Order will enable delivery of the Council’s policies including the Capital Ambition for regeneration of the Dumballs road area. In the event that acquisition cannot be achieved within realistic timescales, if at all, then the only recourse is to prepare for the use of statutory powers to compulsorily acquire the required land.

Financial Implications

14. This report seeks approval in principle for the future use of Compulsory Purchase Order powers to acquire any remaining small land parcels at

Dumballs Road if required, as well as approval to commence with the CPO process and appropriation of land. A future Cabinet report will set out further details of any land where a CPO is required, along with relevant costs and other information required to be considered before a final decision is taken. No final decision is being sought regarding the use of Compulsory Purchase Order powers in this report.

15. The developer has agreed in principal to indemnify the Council against any costs arising from the CPO process as required, so on the basis the indemnity agreement with Vastint is put in place as per the recommendations of this report, there will be no direct financial implications arising from this report.

Legal Implications (including Equality Impact Assessment where appropriate)

16. The Council has statutory powers under section 226(1)(a) of the Town and Country Planning Act 1990 to compulsorily acquire land if they think it will facilitate the carrying out of development, redevelopment or improvement of the land and it is not certain that they will be able to acquire it by agreement. The power to authorise the making of a CPO is an executive function delegated to full Cabinet. In deciding whether or not to make a CPO, the Cabinet must be satisfied that the acquisition of this land will promote or improve the economic, social and environmental well-being of the Council's area.
17. If any of the owners object to a compulsory purchase order they will have an opportunity to make representations at a public inquiry. As well as affecting timescales if the CPO is confirmed they will be entitled to compensation for the value of their property and associated disturbance. It would be in the interests of the Council to seek an agreement with Vastint for them to cover these costs of the CPO process prior to commencing the compulsory purchase process. It is noted that the recommendations are to carry out preparation work before the CPO can be made in order to obtain accurate up to date information as to land ownerships, and a detailed estimate of acquisition costs for all third party interests and land values together with a the preparation of a statement of reasons which demonstrates there is a compelling case in the public interest.
18. **Well Being of Future Generations (Wales) Act 2015** The Well-Being of Future Generations (Wales) Act 2015 ('the Act') places a 'well-being duty' on public bodies aimed at achieving 7 national well-being goals for Wales - a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language, and is globally responsible.
In discharging its duties under the Act, the Council has set and published well being objectives designed to maximise its contribution to achieving the national well being goals. The well being objectives are set out in Cardiff's Corporate Plan. When exercising its functions, the Council is required to take all reasonable steps to meet its well being objectives.

This means that the decision makers should consider how the proposed decision will contribute towards meeting the well being objectives and must be satisfied that all reasonable steps have been taken to meet those objectives.

The well being duty also requires the Council to act in accordance with a 'sustainable development principle'. This principle requires the Council to act in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs. Put simply, this means that Council decision makers must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, the Council must:

- Look to the long term
- Focus on prevention by understanding the root causes of problems
- Deliver an integrated approach to achieving the 7 national well-being goals
 - Work in collaboration with others to find shared sustainable solutions
 - Involve people from all sections of the community in the decisions which affect them
 - The decision maker must be satisfied that the proposed decision accords with the principles above; and due regard must be given to the Statutory Guidance issued by the Welsh Ministers, which is accessible using the link below:
<http://gov.wales/topics/people-and-communities/people/future-generations-act/statutory-guidance/?lang=en>

HR Implications

19. None

Property Implications

20. The recommendations outlined in this report have been prepared in conjunction with the property and estates team and external professional advice has been sought where necessary in order to support the Council to prepare and implement these recommendations. The team will continue to work with the legal and finance departments as required

RECOMMENDATIONS

Cabinet is recommend to:

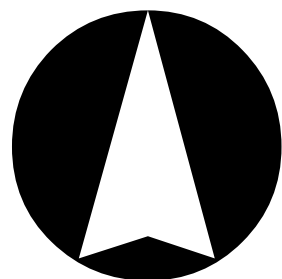
1. Authorise the principle of making a Compulsory Purchase Order under section 226(1) (a) of the Town and Country Planning Act 1990 (as amended by the Planning and Compulsory Purchase Act 2004), and the Acquisition of Land Act 1981 to seek the acquisition of land and interests within the site shown edged red on the attached plan by way of a Compulsory Purchase Order.

2. Authorise the commencement of land referencing investigations to identify and provide Cabinet with a detailed estimate of acquisition costs for all third party interests and land values in the land edged red on the attached plan
3. Authorise the making of an Indemnity Agreement with Vastint to cover the costs of the CPO process and appropriation of the land to include the legal and administrative costs of making the CPO and for those items of compensation in addition to market value of the land i.e payments for disturbance, home loss or severance/injurious affection.
4. Authorise the preparation of a Statement of Reasons.

SENIOR RESPONSIBLE OFFICER	Director Name Neil Hanratty
	Date submitted to Cabinet office 28 August 2020

The following appendices are attached:

Appendix 1 – Plan - Outstanding Interests to acquire
Confidential Appendix 2 – Acquisition of Third Party Interests.



Gateley / HAMER

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Birmingham
B3 2HJ

Tel: 0121 234 0000
Web: gateleyhamer.com

NOTES:

R	DESCRIPTION	BY	DD	MM	YY
13	RLB & PLOTS UPDATED	CG	19	08	20
12	RLB AMENDED	CG	08	07	20
11	PLOT 36A ADDED	SM	26	05	20
10	RLB & PLOTS UPDATED	SM	13	05	20
9	PLOTS & RLB UPDATED	TM	03	12	19
8	ADDING & REMOVING PLOTS	SM	19	06	19
7	RLB & PLOTS 4 & 110 EXTENDED	CH	24	05	19
6	PLOTS ADDED	CH	14	03	19
5	PLOTS ADDED	CH	29	11	18
4	PLOTS REMOVED	SM	24	10	16
3	PLOT NUMBERS UPDATED	SM	18	10	16
2	PLOTS RE-NUMBERED	SM	17	10	16
1	FIRST DRAFT	SM	14	10	16

KEY:

- RED LINE BOUNDARY
- REGISTERED LAND
- UNREGISTERED LAND
- UNREGISTERED LAND WITH REGISTERED LEASEHOLD
- CAUTION

COMMISSION:

DUMBALLS ROAD CARDIFF
2630

DRAWING:

LAND REFERENCE
PLAN

SCALE: 1:1,000 @ A1

DATE: 19/08/2020

DRAWING
NUMBER: PA-2630-LR

REVISION: 13
DRAWN BY: CG

Drawing units are in metres
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Mae'r dudalen hon yn wag yn firiadol

Yn rhinwedd paragraff (au) 14, 21 Rhan (nau) 4 a 5 o Atodlen 12A
o Ddeddf Llywodraeth Leol 1972.

Mynediad Cyfyngedig i'r Ddogfen

Mae'r dudalen hon yn wag yn fwriadol