

LLANRUMNEY DEVELOPMENT PROPOSAL: PRE-DECISION SCRUTINY

Appendices 2-3 and 5-7 of this report are not for publication as they contain exempt information of the description contained in paragraphs 14 of part 4 and paragraph 21 of part 5 of Schedule 12A of the Local Government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. 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 report to Cabinet regarding Llanrumney Development proposal, which is due to be considered by Cabinet at their meeting on 19 December 2019.
2. Members should note that **Appendices 2, 3, 5, 6 and 7** 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 19 December 2019, the Cabinet will consider a report that sets out the need to improve transport connectivity in Llanrumney and brings forward a development strategy to enable this. The report seeks Cabinet approval to market Council owned land in the Llanrumney ward for disposal and seeks authority to agree Heads of Terms to enable delivery of proposals.
4. During this scrutiny, Members have the opportunity to explore:
 - i) The proposals to increase employment by improving transport connectivity and developing local employment opportunities;

- ii) The proposed approach for delivering these improvements – the development strategy and indicative masterplan;
- iii) The proposed new Outdoor Sports Complex;
- iv) How these proposals fit with the wider East Cardiff Industrial Strategy;
- v) Whether there are any risks to the Council;
- vi) The timeline and next steps; and
- vii) 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; and a closed session, where members of the public will be excluded, where Members can ask questions that pertain to **Appendices 2, 3, 5, 6 and 7**.
6. Members will hear from Councillor Russell Goodway (Cabinet Member – Investment and Development) and Neil Hanratty (Director of Economic Development). 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. In July 2017, the Council's new Administration set out a policy programme and associated delivery commitments entitled 'Capital Ambition' establishing the Cabinet's key priorities for the municipal term, and outlining a programme of action to continue to drive the city economy forward, whilst ensuring that all residents feel the benefits of success. This includes commitments to supporting people into work, creating jobs, removing barriers to work, and ensuring new communities are planned and built to the highest quality.

9. In October 2019, Cabinet approved the East Cardiff Industrial Strategy that emphasises the need to improve transport connectivity as a key way of tackling unemployment and poverty in the area. It references the need for a new bridge linking the Llanrumney community to the A48 and states that a report will be presented to Cabinet setting out the plan for this and wider regeneration initiatives and amenities in the Llanrumney area.
10. Also relevant to these proposals, the report to Cabinet highlights that work to deliver social and private housing in Llanrumney at Braunton Crescent and Clevedon Road is on-going, via the Cardiff Living Programme, with further housing investment forthcoming on the former Llanrumney High School site.
11. At their meeting on 19 December 2019, the Cabinet will consider a report that sets out the need to improve transport connectivity in Llanrumney to boost access to employment and brings forward a development strategy aimed at delivering a new bridge and road link between the Llanrumney estate and the A48. Indicative proposals include a new Outdoor Sports Complex in Llanrumney, a foot & cycle bridge, employment uses, housing and environmental improvements. The report seeks Cabinet approval to market Council owned land in the Llanrumney ward for disposal to generate capital receipts to meet the costs of the bridge and road link and seeks authority to agree Heads of Terms to enable delivery of proposals.
12. The report to Cabinet is attached at **Appendix A** and has **seven** appendices:
- **Appendix 1** - Cardiff East Spatial Strategy
 - **Appendix 2 - Confidential** – Engineers Report (New Bridge & Road Link)
 - **Appendix 3 - Confidential** – Indicative Masterplan (no status)
 - **Appendix 4** - Site Plan
 - **Appendix 5 – Confidential** – Development Appraisal
 - **Appendix 6 – Confidential** – Proposed Outdoor Sports complex
 - **Appendix 7 – Confidential** – Draft Heads of Terms

Issues identified in the Report to Cabinet

13. The report to Cabinet states, at **point 5**:

'Within East Cardiff, the Llanrumney ward suffers from the highest rates of unemployment at over 50% higher than the average for the city as a whole.'

14. The report to Cabinet states, at **point 12**, that there is a need to:

'...provide better access to jobs. This involves providing more jobs locally, and improving transport connectivity to make it easier for people to travel to work by car and by public transport.'

15. The report to Cabinet details the poor connectivity in Llanrumney, including lack of access from the Llanrumney estate to the A48 and the Park & Ride facility, that most commuter traffic heading from Llanrumney to the city centre needs to use the Newport Road, resulting in congestion particularly at peak times, and the lack of rail infrastructure.

16. At **point 15**, the report to Cabinet sets out that the report *'seeks to facilitate delivery of a new bridge and road link from Ball Road to the A48'*. At **Confidential Appendix 2**, the engineers' report provides an indicative design for the proposed bridge and road link, with estimated costs.

17. **Point 15** states that the proposed bridge and road link will require substantial investment from the Council, with a consequent need to generate capital receipts. The report goes on to state that:

'Three potential sites have been identified (see Appendix 4) where there is an opportunity to either further intensify use and/or an opportunity to relocate existing amenities from land with the potential for residential development to land that is unsuitable for residential development.'

18. **Point 17** outlines the development strategy, with indicative proposals as follows:

- *A new bridge between the A48 and Llanrumney, with managed access at peak times.*
- *Circa 200 new residential units.*
- *A reconfigured Park & Ride facility retaining the full existing number of spaces.*
- *A new logistics development creating up to 500 new local jobs.*

- *A potential local retail development/petrol station and/or other commercial uses.*
- *A new bus interchange.*
- *A strong new river corridor with compensatory planting, containing improved shared footpaths and cycle routes.*
- *A new foot and cycle bridge.*
- *A new Outdoor Sports Complex including new dedicated facilities for local football and rugby clubs.*

19. **Point 18** details the three plots of Council owned land identified for disposal, as follows: Pentwyn Park & Ride site; playing field area in front of Llanrumney Hall; and land off Ball Road.

20. **Points 20 and 23-26** provide more details re the Outdoor Sports complex proposals.

21. At **Confidential Appendix 5**, Members will find a financial appraisal of the development strategy produced by independent valuers.

22. At **points 31 – 35**, Members will find Financial Implications. Members will find Legal Implications at **points 36 – 42**.

Proposed Recommendations to Cabinet

23. The report to Cabinet contains the following recommendations:

- (1) *Agree the development strategy set out in this report to deliver the new bridge and road link between the Llanrumney estate and the A48.*
- (2) *Delegate authority to the Director of Economic Development in consultation with the Cabinet Member for Investment and Development to market three parcels of Council owned land for disposal as illustrated in Appendix 4 and to return to a future meeting of Cabinet for authority to complete the transactions.*
- (3) *Agree in principle to the Council's participation in delivering the proposed new Outdoor Sports Complex set out in Confidential Appendix 6 and delegate Authority to the Director of Economic Development in consultation with the Cabinet Member for Investment and Development to agree Heads of Terms in line with those set out in Confidential Appendix 7.*

Consultation Undertaken

24. The report to Cabinet states that local Members have been consulted and unanimously support the proposals (point 29) and that initial discussions have taken place with the sports clubs that would be affected by relocation from Llanrumney Hall (point 20).

Previous Scrutiny

25. This Committee undertook policy development scrutiny of the East Cardiff Industrial Strategy at their meeting in October 2019. Following this scrutiny, the Chair, Councillor Howells, wrote to Councillor Goodway, Cabinet Member Investment & Development welcoming the Strategy and stating¹:

- i) *'Members recognise the challenges facing this area, both natural barriers and the legacy of an industrial landscape.'*
- ii) *'Members find it encouraging that the vision for this area includes the need to enhance the environment as well as attract industry and we agree that there is an opportunity for Cardiff to work with public and private partners to deliver a sustainable and attractive environment that includes industry.'*
- iii) *'Improving transport is key to the success of the Strategy; the area needs a rail link and we note that Cardiff Parkway would meet that requirement.'*
- iv) *'Members recognise that highway improvements are needed and that active travel routes need enhancing, including ensuring that cycle routes into Newport are improved.'*
- v) *'Members note that the Strategy aligns to the UK Industrial Strategy, ensuring that bids to associated funding streams are in line. As discussed at Committee, this is a 20-year strategy and it is essential there is a mix of public/ private funding in order to deliver; Members note that this may require an element of public funded pump priming and that officers are exploring innovative financing solutions, including Tax Increment Financing and Free Ports.'*

¹ Extracts taken from the Public Letter from Councillor Howells, Chair Economy & Culture Scrutiny Committee, to Councillor Goodway, Cabinet Member – Investment & Development, dated xx.

Way Forward

26. Councillor Russell Goodway (Cabinet Member – Investment and Development) will be invited to make a statement. Neil Hanratty (Director of Economic Development) will attend to give a presentation and answer Members' questions on the proposals.
27. All Members are reminded of the need to maintain confidentiality with regard to the information provided in **Appendices 2, 3, 5, 6 and 7**. Members will be invited to agree the meeting go into closed session to enable discussion of this information.

Legal Implications

28. 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

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 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 19 December 2019; and
- iii) Decide the way forward for any future scrutiny of the issues discussed.

DAVINA FIORE

Director of Governance & Legal Services

13 December 2019