

Meeting of:	Cabinet
Date of Meeting:	Thursday, 20 March 2025
Relevant Scrutiny Committee:	Homes and Safe Communities
Report Title:	Housing Development Programme – Appropriation of Cadoxton House to the Housing Revenue Account and Conversion into Temporary Accommodation.
Purpose of Report:	To inform Cabinet of a proposal to appropriate the vacant Cadoxton House to the Housing Revenue Account from the General Fund (Housing) and convert into 13 units of much needed temporary accommodation.
Report Owner:	Cabinet Member for Public Sector Housing and Tenant Engagement
Responsible Officer:	Miles Punter - Director of Environment and Housing
Elected Member and Officer Consultation:	Nick Jones, Operational Manager – Public Housing Rachel Williams, Accountant James Docherty, Principal Lawyer
Policy Framework:	This report is within the policy framework and budget and is a matter for Executive decision by Cabinet
Executive Summary:	
<ul style="list-style-type: none"> • This report brings to the attention of Cabinet, a proposal to appropriate the vacant Cadoxton House to the Housing Revenue Account (HRA) from the General Fund (Housing) and convert into 13 units of much needed temporary accommodation. • The report will also discuss and recommend a delivery mechanism in terms of a procurement and construction. 	

Recommendations

1. That Cabinet approves Strategic Insight Board's decision and confirms Cadoxton House surplus to requirements having regard to its previous use.
2. That Cabinet grants approval to appropriate the vacant Cadoxton House from the General Fund (Housing) to the Housing Revenue Account for the agreed value of £275,000 for the purposes of conversion to temporary accommodation.
3. That Cabinet grants delegated authority to the Director of Environment and Housing, in consultation with the Cabinet Member for Public Sector Housing and Tenant Engagement and the Head of Finance/Section 151 Officer, to agree and manage all matters relating to the appointment of a construction management company and required subcontractors, to undertake the conversion of Cadoxton House.
4. That Cabinet grants delegated authority to the Monitoring Officer / Head of Legal and Democratic Services to agree, prepare, execute and complete as necessary all agreements and contract documentation, relating to the appointment of a construction management company and required subcontractors, to undertake the conversion of Cadoxton House.
5. That Cabinet grants delegated authority to the Monitoring Officer/Head of Legal and Democratic Services to agree, prepare, execute and complete as necessary all statutory agreements associated with the conversion of Cadoxton House.

Reasons for Recommendations

1. To allow Cadoxton House to be appropriated from the General Fund (Housing) to the Housing Revenue Account (HRA).
2. To comply with the requirements of the Section 122 of Local Government Act 1972 and to allow the formal appropriation of the General Fund (Housing) asset for housing purposes.
3. To address all matters relating to the appointment of resources to undertake the conversion of Cadoxton House.
4. To permit the appointment of a construction management company and required sub-contractors undertake the conversion of Cadoxton House.
5. To obtain the statutory agreements required to convert Cadoxton House.

1. Background

- 1.1 The Council is seeking to expand its housing stock and satisfy local housing need through the commissioning of new properties as a new development initiative. The principle of developing new homes was established by the Council following a Cabinet meeting on 11th August, 2014 (C2439) and sites across the Vale of Glamorgan were considered for development.
- 1.2 Cadoxton House was previously used as a community advice and support centre that provided a range of activities which included drop-in sessions for members of

the public, meeting rooms and office space, all associated with the public facing function of the building.

- 1.3** A smaller portion of the building was designated solely for use by the Police; however, they only ever used a small portion of this area to provide a live video link to courtrooms. This function involved members of the public coming into the building and using the function to provide evidence to court.
- 1.4** Cadoxton House has been vacant since the Summer of 2024.
- 1.5** On 24th May, 2024, the Council obtained a Regulation 3 Planning consent for the change of use to Sui Generis (Interim accommodation for homeless people), including external alterations.
- 1.6** The future use of the building is sui-generis due to the specific needs of the potential occupiers, the transient nature of their occupancy and the fact the building will also be staffed.
- 1.7** The change of use proposes 13no. self-contained studio flats, as well as areas for staff that serve the building. Each flat will be self-contained and will include kitchen facilities and bathrooms. Staff facilities are also proposed to accommodate onsite staff and provide space for services.
- 1.8** The proposed external alterations include the introduction of four additional windows, located at ground floor and first floor level on the north elevation, an additional window on the west elevation at basement level and the enclosing of the terrace on the ground floor with glass.
- 1.9** An existing access to the building will also be blocked up on the north elevation at ground floor. Fenestration alterations are also proposed on other existing openings.
- 1.10** The Scheme layout and contextual elevations are provided at Appendix A.
- 1.11** Strategic Insight Board at its meeting on 10th March, 2025 declared Cadoxton House to be surplus to requirements having regard to its previous use and agreed that the building be appropriated to the HRA.

2. Key Issues for Consideration

- 2.1** The need to provide additional quality, Council owned temporary accommodation has become a major corporate priority for the Council, so that it can provide an adequate response the current housing crisis.
- 2.2** The current housing crisis has seen an unprecedented number of families, couples and single people present as homeless with little alternative for the Council to place those homeless people into less than desirable bed and breakfast and hotel

accommodation, although this has been partly remedied by the actions undertaken by the Council's Rapid Rehousing Plan in 2022.

- 2.3** Changes introduced during the Covid pandemic required all homeless people to be provided with temporary accommodation (to mitigate the impact of the virus). Later, the directive to Local Authorities was underpinned by changes to Housing Law, namely the Priority Need Order, which required all homeless individuals to be offered temporary accommodation.
- 2.4** The effect of this has been significant, in terms of the need to secure large additional amounts of temporary accommodation, in particular accommodation for single people. Given the short lead in times, the extra temporary accommodation was met by securing hotel rooms, an approach which was replicated by most Local Authorities across Wales. Whilst the Welsh Government initially provided financial assistance to pay for hotel bookings, as part of the No One Left Out (NOLO) Approach, the grant funding has reduced significantly and left Councils having to meet the continued financial burden from existing budgets.
- 2.5** The Council developed its Rapid Rehousing Plan in 2022 (Cabinet minute C297 refers) which highlighted a range of priority actions and interventions to minimise the use of temporary accommodation in future and reduce the reliance on hotel and bed and breakfast type provision.
- 2.6** As a result of the progress made with homeless prevention, building new homes, securing access to private rental properties and prioritising homeless households, it has been possible to move 141 people on from hotel accommodation during the last 12 months. There are currently no homeless families placed in hotels, and this has been the case for two months. In addition, there has been a reduction in the number of rooms occupied at the Holiday Inn Express at Cardiff Airport. Around twelve rooms are currently used, which is a reduction from eighty and the aim is to rehouse or relocate all existing placements before the end of the financial year, when the current block booking expires.
- 2.7** Whilst there has been significant progress assisting homeless families, there remain pressures related to single people. Several initiatives are therefore underway to provide extra accommodation for singles. These include conversions of existing Council homes into shared accommodation, the purchase of existing Houses in Multiple Occupation on the open market and the development of specialist temporary accommodation, like the former Olive Lodge, Bed and Breakfast, Barry. It has also been possible to accommodate a greater number of single people at the Council's own hostel.
- 2.8** The conversion of Cadoxton House to specialist temporary accommodation for single people will add another much-needed asset to the Council's portfolio.

- 2.9** The building requires considerable conversion, and reconfiguration works, and soft market testing had indicated that the cost of conversion and reconfiguration by a main contractor would make the project unviable.
- 2.10** The preferred route to completing the conversion of the building to temporary accommodation would be to appoint a construction management company to project manage the construction works and for the Council to directly appoint the subcontractor works packages for each trade.
- 2.11** This methodology has been successfully employed at our recent Council housing developments at Hayeswood Road, Coldbrook Road East and Olive Lodge, where it has proved particularly cost effective, by eliminating main contractor overhead, mark-up and profit margin.

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

- 3.1** Looking to the long term - The Housing Business Plan 2024/25 allocates significant resource, some £920 million, towards the development of new Council homes over the next thirty years. The CVHP would seek to complete a minimum of 880 new homes over the next eight years. Homes will be considered for development where development could be made viable by including other tenure models to cross-subsidise the development of homes at social rent. In this way the Council could further add to the overall numbers of affordable homes in the borough without adversely impacting on the Housing Business Plan.
- 3.2** Taking an integrated approach - In April 2018, Welsh Government announced an independent review of affordable housing supply in Wales. The purpose of which was to examine whether more can be done to increase the supply of affordable housing in Wales, maximising the resources available to meet the clear commitment to deliver 20,000 affordable homes during this term of Government. The Council is committed to working with Welsh Government, its housing partners, communities and the private sector in maximising the delivery of affordable housing in the Vale.
- 3.3** Involving the population in decisions - In arriving at a decision to provide new affordable housing, the Council will fully consult with its tenants and residents on development proposals and consider their responses, from the feasibility stage through to the determination of the planning application and when the Scheme is being delivered.
- 3.4** Working in a collaborative way - The Council has strong established links with several Housing Associations which make a significant contribution to housing supply in the Vale. The CVHP would further strengthen a regional collaborative approach. Therefore, the Council intends to work alongside our partners and envisages a complimentary approach to the delivery of affordable homes.

3.5 Understanding the root causes of issues and preventing them - The 2023 Local Housing Market Assessment (LHMA) highlighted the chronic shortage of affordable housing in the Vale of Glamorgan. In assessing the housing market, the LHMA calculates the net need for affordable housing, including social rented housing, intermediate rented housing and low-cost home ownership housing products, over the coming years. This assessment projects the headline annual need for affordable housing in the Vale of Glamorgan to be 1,075 units per annum between the years 2019 and 2024. The LMHA identified an overwhelming need for all types and tenures of affordable housing in the Vale. The Council has recognised this and is acting to invest significantly in new council homes and enable housing association development.

3.6 This proposal:

Meets the relevant Strategic Objective 3 of the Corporate Plan 2020-25

Meets the Objectives 1-5 of the Well Being Plan 2023-28

Meets all the Strategic Aims 1-4 of the Local Housing Strategy 2021-26

Meets Strategic Objectives 1-4 of the Housing Development Strategy 2019-24

4. Climate Change and Nature Implications

4.1 The Scheme will also achieve the Association of Environment Conscious Building (AECB) Carbon Lite standard for new build homes, which seeks to create high-performance buildings using widely available technology.

4.2 It is estimated that this low-risk option will reduce overall CO2 emissions by 70% compared to the UK average for buildings of each type – a highly significant result given the relative ease and low cost with which this standard can be met.

5. Resources and Legal Considerations

Financial

5.1 The Housing Business Plan 2024/25 includes a budget of £275,000 for the appropriation of Cadoxton House to the HRA.

5.2 Appropriations are accounted for as a transfer of debt between the Housing Revenue Account and the Council Fund within the Council's loans pool. There will be a small revenue saving in the Policy budget against borrowing costs as a result of this transaction.

5.3 The Housing Business Plan 2025/26 will include a budget of £800,000, including slippage from 2024/25, for the conversion of Cadoxton House.

Employment

5.4 There are no other resource issues to report at this time.

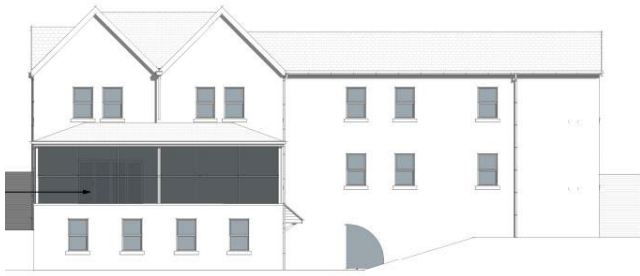
Legal (Including Equalities)

- 5.5** The Housing Development Team will continue to liaise with Legal Services on all legal matters concerning the appropriation of Cadoxton House and the preparation, execution and completion as necessary, in relation to all statutory agreements and contract documentation.
- 5.6** Pursuant to Section 9 and 17 of the Housing 1985, the Council, as Local Housing Authority, has the power to provide and/or acquire housing accommodation by constructing such accommodation on land acquired for housing purposes.
- 5.7** The Council has a general power to appropriate land from one purpose to another under Section 122 of the Local Government Act 1972 which states that a Council *“may appropriate for any purpose for which the council are authorised by this or any other enactment to acquire land by agreement any land which belongs to the council and is no longer required for the purpose for which it is held immediately before the appropriation”*.
- 5.8** Section 19(1) of the Housing Act 1985 deals with Appropriation to the HRA and states that *“A local housing authority may appropriate for the purposes of this Part (housing purposes) any land for the time being vested in them or at their disposal, and the authority have the same powers in relation to land so appropriated as they have in relation to land acquired by them for the purposes of this Part”*.
- 5.9** The provisions of s.19 of the Housing Act 1985 therefore permit the Council to exercise its statutory power to construct new housing accommodation on the site once it has been appropriated for housing purposes.
- 5.10** Cadoxton House is a self-contained General Fund (Housing) building with private grounds that includes carparking and does not afford any public access. Therefore, the building and land are not considered to be open space/amenity land, meaning that the Council does not have to advertise the appropriation under Section 123 (2A), or consider any objections received.
- 5.11** In terms of equalities, there will be training opportunities offered as part of the works contracts and in accordance with the Welsh Governments 'Value Wales Toolkit'.

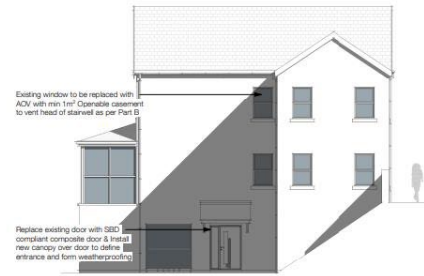
6. Background Papers

None.

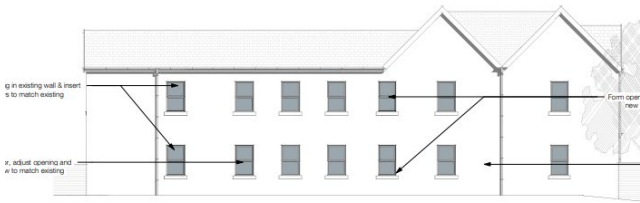
APPENDIX A – CADOXTON HOUSE, BARRY



Proposed Elevation from Parking Courtyard



Proposed Side Elevation 2



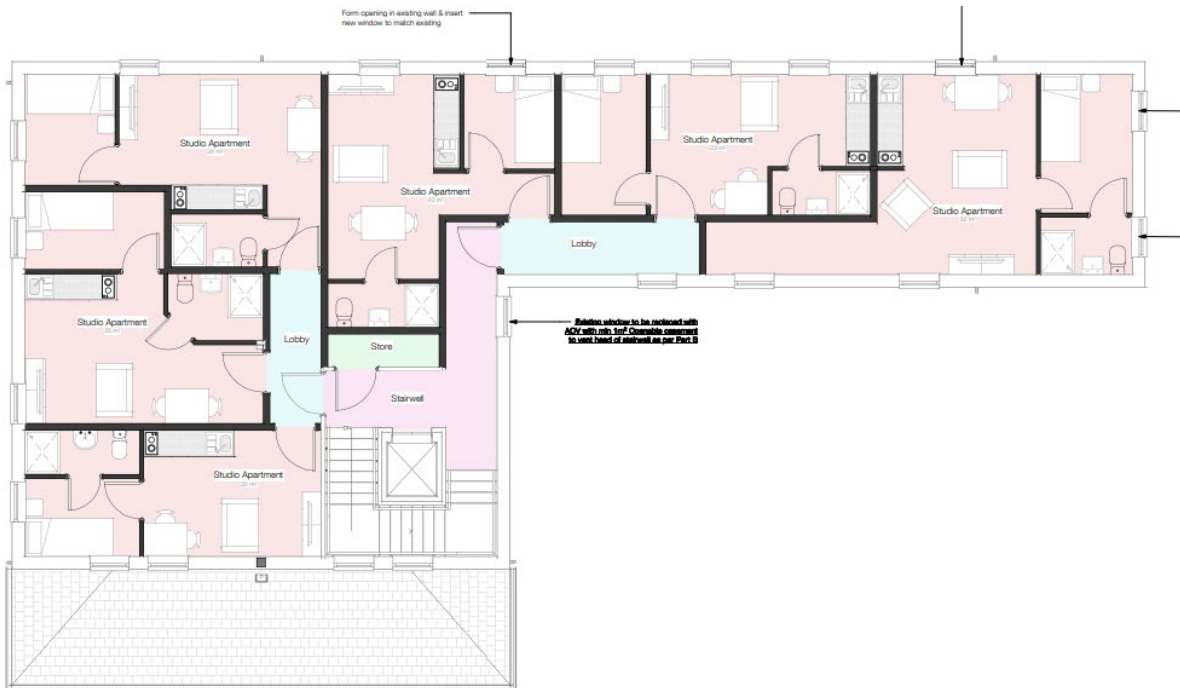
Proposed Elevation from Belle Vue Terrace

1:100



Proposed Side Elevation 1

1:100



Proposed First Floor Plan

1:50



Proposed Ground Floor Plan
1:50



Proposed Basement Floor Plan
1:50