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MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the meeting of Economy and Development Select Committee held
at The Council Chamber, County Hall, Rhadyr, Usk. NP15 1GA on Thursday, 15th March,
2018 at 10.00 am

PRESENT: County Councillor P. Pavia (Chairman)

County Councillors: J. Becker, A. Davies, D. Dovey, M. Feakins, R.
Roden and A. Watts

OFFICERS IN ATTENDANCE:

Mark Hand	Head of Planning, Housing and Place-Shaping
Ben Winstanley	Estates Manager
Victor Mbvundula	Estates – Torfaen County Borough Council
Cath Fallon	Head of Economy and Enterprise
Richard Williams	Democratic Services Officer

APOLOGIES:

None.

1. Declarations of Interest

There were no declarations of interest made by Members.

2. Confirmation of minutes

The Economy and Development Select Committee minutes dated 25th January 2018 were confirmed and signed by the Chair.

3. Public Open Forum

There were no members of the public present.

4. Monmouthshire Local Development Plan Review

Context:

To scrutinise the consultation feedback on the Local Development Plan (LDP) draft Review Report.

Key Issues:

The LDP review is the task of evaluating the extent to which an adopted LDP is functioning effectively. The Regulations allow for a 'selective review' to look at part(s) of a LDP, or a 'full review', which looks at the entire LDP. There is a statutory requirement to undertake a full LDP review every four years after adoption (February 2018 for Monmouthshire).

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A full review of the LDP commenced in 2017, with the publication of the Draft Review Report. This was considered at an all Member seminar on 30th November 2017, facilitated by the Economy and Development Select Committee, which requested that the consultation responses be reported back to the Committee.

The Draft Review Report was endorsed by Cabinet in December 2017 for eight week consultation. This consultation period has now closed, responses have been considered and incorporated into the final Review Report as appropriate.

A high level summary of consultation responses were provided to the Select Committee.

The Review Report provides an overview of the issues that have been considered as part of the full review process and subsequently identifies the changes that are likely to be needed to the LDP, based on evidence.

Based on the evidence contained in the Review Report, it is concluded that the LDP should be revised and that this should take the form of a full revision procedure.

The recommendation to commence preparation of a new LDP for Monmouthshire will be considered by Council on 19th March 2018.

Member Scrutiny:

- The method of consultation undertaken was as good as it could have been. Social media can be used to widen the message and encourage consultation.
- In the Community Involvement Scheme, it sets out the groups that the Planning Department engages with.
- In response to questions raised regarding engagement and housing provision for future generations, it was noted that officers were aware of the issues around demography and the challenges being faced by the Authority. Existing data identifies the increasing proportion of the older population in Monmouthshire (over 65 - over 85) and also the gap in the number of 20 to 40 year olds. Compared to the Cardiff Capital Region, Monmouthshire has a lower proportion of the 20 – 40 year old age group. It is considered a proportion of people in this age bracket are unable to afford a property in Monmouthshire and are having to move out of the County.
- The main way of achieving affordable housing within the County is via market house builders.
- There are some groups listed in the Community Involvement Scheme that the Authority is looking to work with, e.g. Engage2change. Officers are working with schools to enquire what the students' aspirations are for the County.
- With regard to the issue of models for delivering housing provision, it was noted that there are separate discussions to the LDP regarding this matter. One of the

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challenges with the current LDP is the reliance on strategic sites. There is a need to identify how other developers might be brought into the County and encouraged to build in Monmouthshire.

- It is anticipated that the new LDP will be in place by March 2022. Work surrounding strategy and growth options will commence in the coming months.
- Affordable and social housing provision is essential to retain young people within the County and also to help attract businesses to settle here.
- As part of the engagement process, the Select Committee will play its part in the development of the new LDP. A steering group could also be established to discuss key points / strategies required.
- The impact of the reduction and eventual removal of the Severn Bridge tolls are already creating a detrimental effect in the south east of Monmouthshire, as house prices are beginning to rise.
- In response to a question raised regarding the Welsh Government's involvement with the M4 Relief Road, it was noted that this scheme is one of the few schemes that the Welsh Government is involved in. The majority of other trunk road schemes fall within the remit of the Cardiff Capital Region.
- With the removal of the Severn Bridge tolls, opportunities could arise for employers to look to relocate to Wales from over the border with England.
- Many of the responses to the consultation were from developers and land owners. Other responses referred to the reliance on strategic sites in the main towns and whether growth around villages should be considered.
- The impact on the County's transport systems needs to be included in the development of the new LDP.
- Healthcare infrastructure needs to be included in the LDP. Engagement with Aneurin Bevan Health Board will be strengthened.
- Population and household projections will also be addressed.
- Dialogue is already taking place at officer level with regard to the knock on effect of property developments in Monmouthshire around the Wales / England border and how this might affect pupil numbers in Monmouthshire's schools due to the anticipated growth in development.
- When the new LDP is adopted there will be policies in place regarding affordability. Viability of schemes has to be taken into account but there will also be a requirement in the next LDP from Welsh Government to ensure sites are deliverable and viable.

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- The period between now and having a new LDP adopted indicates that we have a four year land supply, the Authority has to consider unallocated sites and that they should be looked at favourably. Sound planning considerations will apply when making decisions on these planning applications.

Committee's Conclusion:

- The Select Committee supports a full review of the LDP.
- Consultation methodology needs to be undertaken correctly.
- It is imperative that the models for housing provision for future generations is addressed, i.e., creative and innovative models should be considered.
- An early discussion with Welsh Government is required regarding its regional strategic development programme, in particular around transport infrastructure.
- Housing cost uplift is already occurring across the County. This is an early indication of what is anticipated when the Severn Bridge tolls are reduced / removed.
- The Select Committee wants to be engaged and welcomes the establishment of a steering Group.

5. Sale of County Hall Cwmbran

Context:

To scrutinise the disposal process and appointment of a preferred bidder of the former County Hall site.

Key Issues:

- The site is jointly owned by Monmouthshire County Council and Torfaen County Borough Council and a Project Board was established to manage the disposal of the surplus site. Monmouthshire County Council took the lead on the demolition of the buildings and Torfaen County Borough Council Estates Department has handled the marketing of the site on behalf of the two councils.
- There have been two failed attempts to sell the site. The first sale was agreed but subsequently failed as attempts were made to reduce the price to a level that was unacceptable. The second sale was agreed to a bidder that was unable to complete the sale due to financial difficulties.

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- The Property was placed back on the market in March 2017 and following a two month marketing period, six offers were received.
- Three bidders were shortlisted and invited to carry out further due diligence on the site which would allow their offer to be further refined. Bidders were allowed access to the site to undertake technical site investigations.
- Following a reasonable period the three parties were asked for their “best and final offers”. The preferred bidder was selected from this process following evaluation of the bids by Torfaen County Borough Council Estates Department.
- The preferred bidder was then allowed a period of time to work with the planners in order to refine the site design and make allowances for the layout including the siting of the social housing and the exclusion zone around the ancient woodland area. The bidder also further refined the drainage strategies.
- The preferred bidders refined the “abnormal costs” which saw them increase significantly most notably following issues with their drainage strategy as a result of consultation with the highways authority and clarification of the Section 106 contributions.
- Following this work a figure was arrived at which discounted the abnormal costs from the previous offer. Unfortunately, this figure was below the price expectations which the Councils had for the site. Further negotiations were undertaken with the preferred bidder to bring the land value in line with Council expectations and as a result, the offer has been revised to a level that both Councils can agree.

Member Scrutiny:

- The bid and the development is compliant with policy, which, in Torfaen County Borough Council is 30% affordable housing provision.
- The offer being looked at is subject to planning permission. Therefore, the offer is as robust as it can be at this stage.
- Two of the bidders were regional developers and the other was a volume house builder.
- Capital receipts were estimated to be available to both authorities by the end of the calendar year. However, Monmouthshire County Council has the capital receipt in its Medium Term Financial Plan for the 2019/20 financial year.
- The offer equates to £2.9 million. However, the contract has a proviso that if there is more scope for further plots, following planning permission, then this offer could increase.

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- The 30% affordable housing provision will remain, as the bid is a joint bid with a local housing association. The likelihood of the 30% affordable housing provision being reduced is low.
- The capital receipt achieved from the sale of the land will be split equally between the two authorities. Section 106 funding will be payable in the areas that it affects.
- Gwent Police is looking to relocate to an alternative location in Cwmbran within the next two years.

Committee's Conclusion:

On behalf of the Select Committee, the Chair thanked the officers for presenting the report.

We recommended that Cabinet accepts, subject to contract, the offer for the purchase of Monmouthshire County Council's 50% share of the freehold interest in the former County Hall Site to the preferred bidder.

6. Marketing Monmouthshire for Business

We received a verbal update by Members of the Select Committee regarding the meeting that was held at the beginning of the year regarding marketing Monmouthshire for business.

In doing so, the following points were noted:

- It was a useful meeting that was convened with the intention of looking at how we market the County to prospective business investors.
- Addressed ways of attracting businesses to the area.
- Start-up businesses and where to recruit these businesses from.
- Officers have already been looking at shared work spaces and potential tax breaks for start-ups.
- Quality of life in the County as a selling point.
- However, there is still a need to identify who will be undertaking the marketing and how this will be done. The Select Committee could provide support in this matter.
- It was noted that there was a need to create a liveability index to encourage people to locate their businesses in Monmouthshire.

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- It was considered that a further meeting of the working group was required in order to create an action plan, going forward.
- Initial baseline data, as part of the future economies analysis that is being undertaken, indicates that our economy in the previous 15 years has performed below its full potential. This is partly due to the County's age structure and that we have low numbers in terms of working age groups. Monmouthshire's median age is 48 and is the oldest in the Cardiff Capital Region.
- In terms of the sector analysis, manufacturing is relatively large and growing, which is bucking the national trend.
- Arts, entertainment and recreation is growing.
- Accessibility and affordability of affordable housing stock is key.
- Employment sites and premises need to be located appropriately.

We resolved that the Chief Officer, Enterprise and the Head of Enterprise and Community Development be requested to arrange another meeting of this working group in the form of a workshop, with a view to creating an action plan and a strategy. The workshop should be held before the next Economy and Development Select Committee meeting (26th April 2018).

7. List of actions arising from the previous meeting

We noted the list of actions arising from the previous meeting.

8. Economy and Development Select Committee Forward Work Planner

We received the Economy and Development Select Committee Forward Work Programme. In doing so, the following points were noted:

- **Marketing Monmouthshire for Business** – The Chief Officer, Enterprise and the Head of Enterprise and Community Development be requested to arrange another meeting of this working group in the form of a workshop, with a view to creating an action plan. The workshop should be held before the next Economy and Development Select Committee meeting (26th April 2018). Suggested items for discussion are:
 - Liveability index / creation of business zones to attract businesses into Monmouthshire.
 - Business breakfasts.
 - Approach the owner of TATA Steel, who lives locally, with a view to identifying ways of attracting businesses to set up in Monmouthshire.

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- **Cross Border visit** – The Chair of the Select Committee will liaise with the Scrutiny Manager about convening this group. It was also noted that the Officer Cross Boarder Group has already met. The Select Committee requested that the Head of Operations and his counterpart at Gloucestershire County Council be invited to attend a future Economy and Development Select Committee meeting to provide an update on progress.
- A Joint Scrutiny meeting be held with the Audit Committee regarding the Welsh Government's Local Government Funding Formula. Representatives of the Welsh Government and the Welsh Local Government Association (WLGA) to be invited to attend to inform the Committee how the funding formula is calculated.
- A Joint Scrutiny meeting be held with The Democratic Services Committee regarding Automation and how this might improve Local Government / Monmouthshire County Council service provision.

9. Council and Cabinet Business Forward Work Programme

We received the Council and Cabinet Business Forward Plan and noted its content.

10. Next meeting

The next Economy and Development Select Committee meeting will be held in the Council Chamber, County Hall, Rhadyr, Usk, on Thursday 26th April 2018 at 10.00am.

The meeting ended at 12.22 pm.