

Redditch Place Review 2017

One Public Estate and re-generating Redditch Town Centre Project Board Report

“Redditch will be successful and vibrant with communities that have access to great job opportunities, good education, excellent healthcare and a community that people will be proud to live and work in”

5 February 2018





Contents

| | | | |
|--|----|--|----|
| EXECUTIVE SUMMARY..... | 4 | 3.1 Town Hall..... | 47 |
| I. INTRODUCTION..... | 7 | 3.2 Library..... | 47 |
| II. REDDITCH ON THE MAP..... | 11 | 3.3 Redditch Police Station..... | 47 |
| 1. The History of Redditch..... | 12 | 3.4 Fire Station..... | 47 |
| 2. Redditch Today..... | 13 | 3.5 Public Services Hub..... | 48 |
| 2.1 Economy..... | 13 | VIII. CONCLUSIONS & RECOMMENDATIONS..... | 49 |
| 2.2 Real Estate Market..... | 14 | 1. Conclusions..... | 49 |
| III. PLACE REVIEW METHODOLOGY..... | 17 | 2. Recommendations..... | 51 |
| IV. STAKEHOLDERS..... | 18 | 2.1 Individual asset recommendations..... | 51 |
| V. ASSETS INVOLVED..... | 20 | 2.1.1 Redditch Town Hall..... | 51 |
| VI. ONE PUBLIC ESTATE PROJECTS..... | 26 | 2.1.2 Redditch Library..... | 51 |
| 1. Town Hall..... | 27 | 2.1.3 Redditch Police Station..... | 51 |
| 2. Redditch Library regeneration..... | 30 | 2.1.4 Redditch Fire Station..... | 51 |
| 3. 'Blue Light' Services..... | 34 | 2.2 Funding and Delivery Options..... | 52 |
| 3.1 West Mercia Police..... | 34 | APPENDIX 1 – Map and Schedule of Assets..... | 54 |
| 3.2 Hereford & Worcester Fire and Rescue Service..... | 36 | APPENDIX 2 – Site Plans..... | 55 |
| 4. Public Sector Hub..... | 38 | 2.1 Town Hall..... | 55 |
| 4.1 Smallwood House / HCA Land..... | 39 | 2.2 Library..... | 56 |
| 5. Railway Gateway..... | 42 | 2.3 West Mercia Police..... | 57 |
| VII. Funding & Delivery Options..... | 43 | 2.4 Middlehouse Lane – H&WFRS, WCC and RBC land..... | 58 |
| 1. Funding Sources..... | 43 | 2.5 Church Green West sites..... | 59 |
| 2. Delivery Options..... | 44 | | |
| 2.1 Prudential borrowing - Public Works Loan Board (PWLB)..... | 44 | | |
| 2.2 LABV (Local Asset Backed Vehicle)..... | 45 | | |
| 2.3 Income Strip..... | 46 | | |
| 2.4 Development Agreements..... | 46 | | |
| 3. Funding packages..... | 47 | | |

EXECUTIVE SUMMARY

This report provides a platform and direction for both public service transformation and the physical regeneration of Redditch town centre.

From inception through to completion and beyond this project would deliver capital receipts, reduced running costs, economic growth and a more efficient and integrated public service delivery model in line with the One Public Estate objectives and facilitates the stakeholder's collective ambitions to maximise opportunities for collaborative working and regeneration of the town centre.

This report verifies that the desired public service transformation is best achieved through co-location of the following public sector bodies within a new public services Hub development, ideally located on land situated at Church Green West currently owned by the NHS and the HCA.

- Redditch Borough Council
- Redditch Library
- Worcestershire Health and Care Trust NHS Fund
- Job Centre Plus (JCP)
- Worcestershire County Council (touchpoints)
- Citizens Advice Bureau
- West Mercia Police (in part or as a whole depending on option selected)

The sites are comprised Smallwood House Health Centre owned by the NHS and a cleared site owned by the HCA. Redevelopment of these sites could provide a unique and exciting opportunity for a public and private sector partnership to deliver an innovative "one stop shop" for public services. The concentrated public sector presence in the area would boost the town centre's economy and also invigorate the wider office market, attracting business and investment to the town centre.

As the land at Church Green West would be integral to the success of this project, Place Partnership has obtained in principal agreement from both the NHS and HCA to sale of their respective interests, subject to terms and conditions being agreed. It is recommended that Redditch Borough Council acts as the acquiring body to simplify governance and funding arrangements.

In order to deliver the new Hub, capital funding of approximately £12m will need to be raised to facilitate land acquisition and physical construction of the new hub. It is assumed that West Mercia Police take minimal space at the Hub and locate their main Local Area Policing Base (LAPB) with the Fire Service at Middlehouse Lane.

A range of potential funding sources to achieve the required £12m have been identified which include:

- Prudential borrowing
- Capital receipts from sale of surplus assets
- Revenue stream from retained and better used assets
- Revenue stream from occupiers of the new hub
- Capital reserves from board member organisations
- GBS Local Enterprise Partnership bid (up to £5m)
- One Public Estate
- Joint ventures with other public and private sector organisations

This report recommends that a combination of funding sources are drawn upon in order to ensure best value for all borrowing requirements. A key funding source exists via a recent Local Growth Fund expression of interest submission for £5m by the Borough Council has been awarded a priority "A" ranking by the Greater Birmingham and Solihull LEP. If the formal bid, which is currently being formulated, is approved the availability of funding for related infrastructure

works and land assembly will assist overall financial viability and provide added momentum to these projects.

In addition to capital considerations, this report demonstrates that aggregated annual running costs for the public sector can be reduced by a minimum of £350,000 and potentially up to £700,000 p.a., in comparison with retaining the status quo.

The regeneration works could also provide in excess of 137 new homes from the town hall conversion (78) and redevelopment of the police station site (59). New job opportunities in the construction, retail and office sectors could be created which will generate additional demand for circa 600 residential dwellings in Redditch.

The benchmark for all options is the status quo, which assumes the asset continues to be utilised as is. On the basis of this table, the recommendations made in this report for each asset are:

Town Hall

We recommend that the Town Hall should be retained, converted into residential units (78) and sold within a period of 3 years

A range of lower yielding refurbishment options including office and hotel have been modelled in addition to demolition and re-build options for both residential and mixed use.

Increased town centre residential provision would not only generate additional income for Redditch Borough Council through a variety of sources but also increase use of local facilities such as the multi storey car parks, restaurants, retail shops and bars. This increase in footfall and spending in the local economy has the potential to draw new business and investment, into the town centre.

Through the collocation with the partner organisations a revised and improved space usage could be achieved in the new hub, resulting in further revenue savings. Based on our desktop analysis and benchmark figures the current space usage of 7,236 sqm may be reduced to 2,264 sqm by introducing new and dynamic workplace strategies.

Library

The Library might be considered for demolition and public realm works with retail outlets could be built in this strategic town centre location. This would enhance the entrance to the Kingfisher Shopping Centre and provide natural pedestrian linkage to the High Street. This would also provide a “piazza” type environment for public events. The intended investment would create an area where people can stop, relax and socialise, as well as hosting a variety of events. A design could incorporate elements such as lighting columns, a water feature with fountain jets which can be drained to create events space, a glade of trees, seating and greater integration of the Kingfisher Centre into the wider design of the square. The square may be further enhanced by improved town centre links with the addition of a canopy stage, as well as with nearby retail outlet developments and the opening up of the pedestrian access between the Kingfisher Centre and the Church Green area as part of the redevelopment works.

This option would require demolition and regeneration but as with most public realm works could yield wider economic benefits in terms of attracting and retaining footfall as well as re-generating the town centre.

The development of a retail block (up to 500m² of A1/A3) within the same location would improve the overall street scene and increase day and night time vitality & viability. However an alternative could be for the owners of the Kingfisher Centre to redevelop the unit adjoining the piazza to create a number of A1/A3 outlets fronting the piazza.

The Library site sits between the Town Hall and the Church Green West site. Better linkage between these two hives of activity could stimulate High Street footfall and improve the appeal of Redditch as a destination and residence.

The potential relocation of the Library into the new Hub may reduce the space requirements to 800 sqm from the current 2,553 sqm. The JCP might occupy an additional 400 sqm, releasing the Library building for potential redevelopment. The reduced areas in the planned new build Hub may result an annual recurring revenue savings for WCC of £147,000.

Blue Light services

A separate report has been produced for West Mercia Police outlining their options for the existing Police Station site in the town centre and their options for relocating their base within Redditch. This report recommends that the Police collaborate with the Fire & Rescue Service and develop a joint facility on Middlehouse Lane and maximise both co-location and service integration opportunities. The Police could also retain a town centre presence by taking space within the new Hub. The vacant police site may then be disposed of for residential redevelopment

Hub contingency

In the event that suitable site assembly within the Church Green West area cannot be achieved, the alternative option is to refurbish and upgrade the existing Town Hall. This would require current Redditch Borough Council's activities to be consolidated into smaller areas to accommodate the public sector partners and any surplus space could be let out to third parties to generate rental income.

Next Steps

The next steps which should be taken to advance this review are as follows:

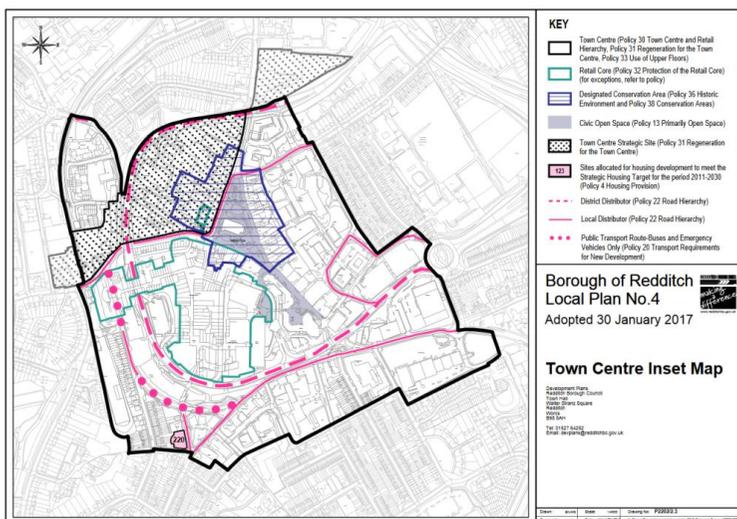
- Review and endorsement of the recommendations in this report by the Board.
- Necessary approvals to be sought by stakeholders from their respective governance structures.
- Place Partnership to secure an option agreement on both Smallwood House and/or the HCA land to facilitate the construction of the new Hub.
- Redditch Borough Council to take the role as lead authority in respect of land and property acquisitions which are required to complete this review.
- Place Partnership to procure a suitable strategic delivery partner to deliver the scheme and develop a timetable for rollout.
- Preferred funding and delivery methods need to be selected.
- Confirmation required from West Mercia Police as to whether they require a LAPB adjoining the new Hub or in conjunction with the Fire Service.
- Detailed studies of the titles to all land and property involved in this project need to be undertaken.
- Instruction needs to be provided to an architect to draw up some schematic designs for the new hub site.
- Further engagement with Network Rail and the train service operator to initiate and drive change in this area, creating a more attractive and vibrant gateway to the Town Centre.
- Engagement with the freehold owner of the bus engineering depot owner to discuss possibilities of relocating the facility. Acquisition of this site introduces design and space flexibility for the hub. Alternative relocation options need to be further explored.

I. INTRODUCTION

Redditch was developed as a new town in the 1960's and was formerly one of the primary locations in Worcestershire for retail and business. Its shopping centre, The Kingfisher Centre, was in recent memory one of the key covered shopping centres in the UK.

Redditch town centre's economy is ripe for regeneration, as over the years it has suffered relative decline in appeal as a destination due to lack of investment and competition from other local towns and cities. The public sector is poised to kick start this regeneration owing to the concentrated land holding in the town centre and collective will amongst stakeholders to maximise this unique opportunity.

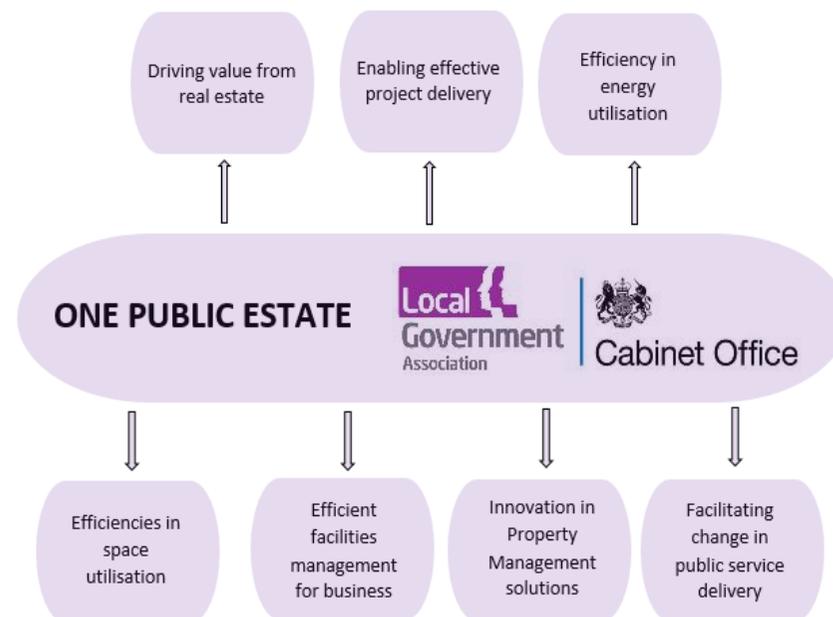
References in this report to the town centre adopt the definition of the Borough of Redditch Local Plan No 4 Town Centre Inset Map as shown below.



In 2016 Place Partnership submitted a proposal to the LGA/GPU for One Public Estate funding in support of key opportunities in Redditch. The purpose of the review is to identify opportunities to utilise the assets more efficiently resulting in the release of surplus land and property for redevelopment, reducing operational costs for the public estate and improving the way in which services are delivered to the public.

One Public Estate, as well as transforming public services, can be a catalyst to reinvigorate the town and to prevent future leakage of economic growth to other centres.

The benefits of completing this Place Review will manifest in a range of positive property focussed outcomes as follows:



The public sector holds a significant real estate presence in Redditch town centre, with all of the assets which are the subjects of this review being within the inner section of the ring road. This presents the public sector with a unique opportunity to initiate and drive economic growth, rationalisation and physical regeneration of the town in pursuit of the four core OPE objectives. In addition, collaboration with major private sector partners such as the Kingfisher Centre amplifies the potential of this review.

The foundations of the Redditch Place Review are based upon the OPE's four core objectives, which are:



Creating economic growth (new homes and jobs)



Generating capital receipts



More integrated, customer-focused services



Reducing running costs

The four OPE objectives have been developed to reflect the needs and aspirations of Redditch which will form the core of this review:

- **Creating economic growth** – The completion of this project will significantly contribute to the County wide vision of 'World Class Worcestershire'

through using the public sector asset base to drive economic growth and development, regeneration and inward investment through the creation of improved employment, housing, retail and leisure opportunities.

- **Generating capital receipts**– Releasing surplus land and property to provide development opportunities which generate capital receipts and/or revenue streams to support income generation targets for the public sector.
- **More integrated, customer-focussed services** – Exploring co-location and service integration opportunities across the public sector to deliver customer focussed services.
- **Reducing running costs** – Maximising opportunities to reduce the asset base of the public sector through more efficient utilisation of space, employing modern and forward thinking working practices and occupying more energy efficient buildings which are sustainable and fit for future growth.

The delivery of these objectives will quantify what success looks like for Redditch.

Redditch is identified as a 'Strategic Centre' within the GBSLEP Strategic Economic Plan (SEP) and also an expanding centre. This ambitious project has been established to capitalise on the potential of Redditch as acknowledged and supported by the GBSLEP SEP, through re-configuration of the town centre. The ultimate goal of the project is to bring fresh life and energy into Redditch, which establishes an identity for the Town and also supports the wider growth of Birmingham.

In addition to the property focussed benefits, there will also be wider economic benefits to the town centre re-generation which are anticipated to be:

2,000 new jobs

The regeneration will create job opportunities in the construction, retail, office and leisure sectors. New jobs will bring prosperity to the Town and attract a skilled workforce which increases the appeal of the Town for more national and international business occupiers.

137+ new homes

The new homes could be created through the conversion of the Town Hall (circa 78 units), residential development of the police station site (circa 59 units), and potential additional demand can be generated through the inward investment as a positive outcome of the project. This provision would contribute towards the housing requirements for the Borough but more importantly provide quality town centre accommodation which supports development of a vibrant community.

New commercial/leisure space

This space would provide facilities which may establish a more prominent and buoyant leisure economy in the Town Centre, particularly during the evening which could currently be improved. The potential creation of bowling, additional cinema, restaurant and bar outlets would encourage people to use the town centre more frequently, and also attract visitors from outside of the Borough.

Inward investment

The public sector would act as a catalyst, attracting inward private sector investment into the Town Centre. A particular focus around key areas such as the Train Station, the existing office market, Kingfisher Centre and High Street are all hotspots requiring investment to support our objectives of revitalising the Town Centre.

Town Planning

This Place Review has progressed against the background of the adopted Redditch Local Plan No 4, which provides a planning policy framework for sustainable economic growth and expansion of the town up to 2030 and identifies both residential and commercial growth, further requiring this project to proceed.

The Plan identifies capacity for new housing with the allocation of land for an additional 3,000 houses within the Borough. The proposed Eastern Gateway site offers potential for up to 100,000m² of new employment development which brings the prospect of creating in excess of 2,000 new jobs.

Regeneration of Redditch

The public sector holds a significant landholding within Redditch town centre highlighting the significance of its ability to influence the physical and economic revitalisation of the town.

Aside from the physical regeneration aspect of the project, there is a wider economic effect of improving the employment opportunities and housing provision in a sustainable and expanding location. This contributes to both the ambitious targets in the SEP but also the wider appeal of Redditch as a place to live and work.

A critical factor of this project's success is incorporation of public realm improvement works. There needs to be greater pedestrian connectivity throughout the town centre and also the "concrete collar" of the ring road addressed to improve vehicular access. This increases the prospects of investments into the town. However the above are only ideas and recommendations for infrastructural developments are beyond the scope of this OPE feasibility exercise.

There is currently little demand for commercial space in the Town Centre, evidenced by vacancy rates on the High Street and lack of demand for office space. Utilisation of the public sector as a catalyst for growth will stimulate both business demand and enterprise, offering high quality commercial floor space in the town centre.

Economic objectives could be fulfilled through the collaboration of stakeholders and also use of Redditch Borough Council's CPO powers, a strategic consideration to accelerate change where required.

This review is essential for Redditch, as the public sector estate mainly comprises low quality, inefficient and underutilised assets some of which are located upon prominent town centre re-development sites. The analysis undertaken as part of this review has evidenced that the recommendations made can deliver up to 137+ homes, 2,000 new jobs, £3.6m in capital receipts and annual running cost savings of between £350,000 and £700,000 p.a. and a key feature of this review being a significant positive transformation in delivery of public sector services. This review also has the potential to deliver wider benefits through attracting inward investment and utilising the significant public sector presence to catalyse regeneration of the town and boosting its profile locally and nationally helping to reinforce Redditch as somewhere people are proud to both work and live.

It is acknowledged that in order to deliver the above objectives, capital resources will be required. There is inherent capital which can be realised from existing assets but there will also need to be external funding to support the delivery. A range of funding options have been identified within this report and they are detailed in Chapter VII.

A Programme Board, comprising both public and private sector stakeholders with real estate and service interest within Redditch town centre, has been formed to oversee the exercise which meets on a monthly basis to monitor and accelerate

progress. The Board is made up of representatives from the following public bodies and Chaired by the Chief Executive of Bromsgrove District and Redditch Borough Councils – Kevin Dicks:

- Redditch Borough Council
- Worcestershire County Council
- Worcestershire Health & Care NHS Trust
- Housing & Communities Agency
- West Mercia Police
- Hereford & Worcestershire Fire & Rescue Service
- Heart of Worcestershire College
- North Worcestershire Economic Development & Regeneration
- Place Partnership Limited

This report will detail the outcome of the options considered and outline the feasibility work undertaken to evaluate a range of projects involving public sector assets in Redditch town centre identified through the process of the Redditch Review.

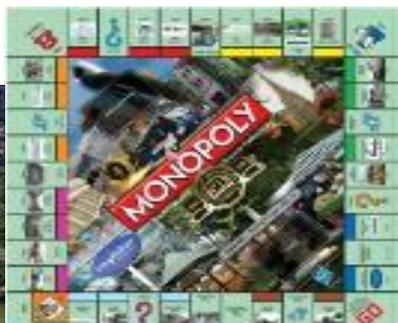
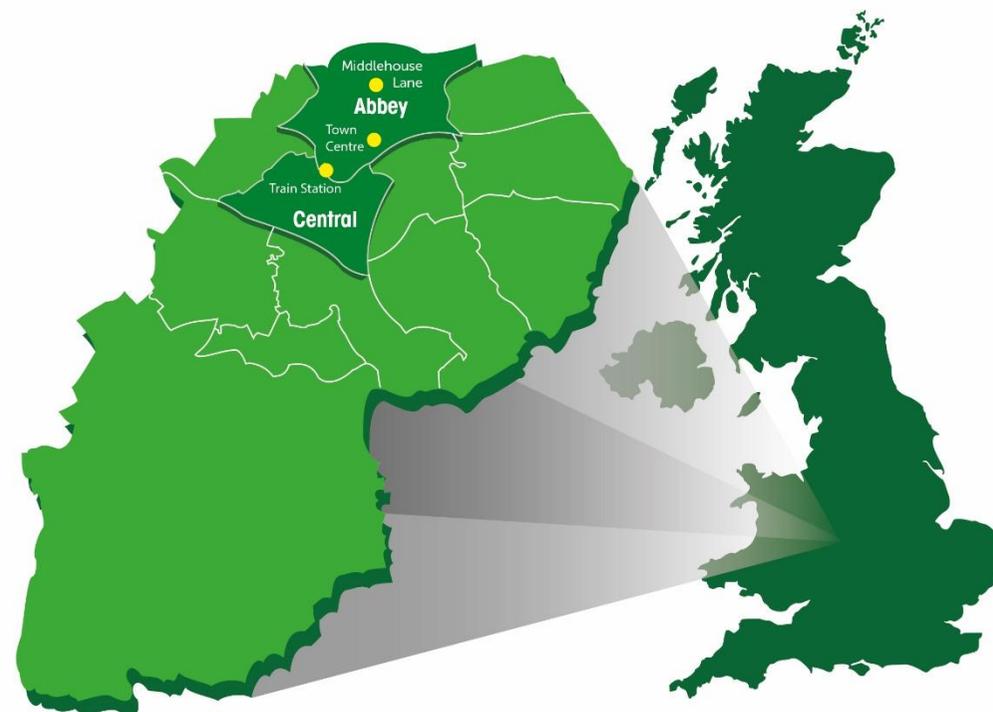
II. REDDITCH ON THE MAP

Redditch is a new town, developed throughout the 1960's, 70's and 80's which is located in north-east Worcestershire and has a population estimate of 84,743. The population is served by a number of first, middle and high schools, Heart of Worcestershire College Campus, a Vue Cinema and a Theatre. In addition, there is a leisure centre, Abbey Stadium, located on Birmingham Road and a large town centre covered shopping centre, the Kingfisher with anchor stores Marks and Spencer, Primark, Debenhams, Boots, Savers, Poundlands and Superdrug.

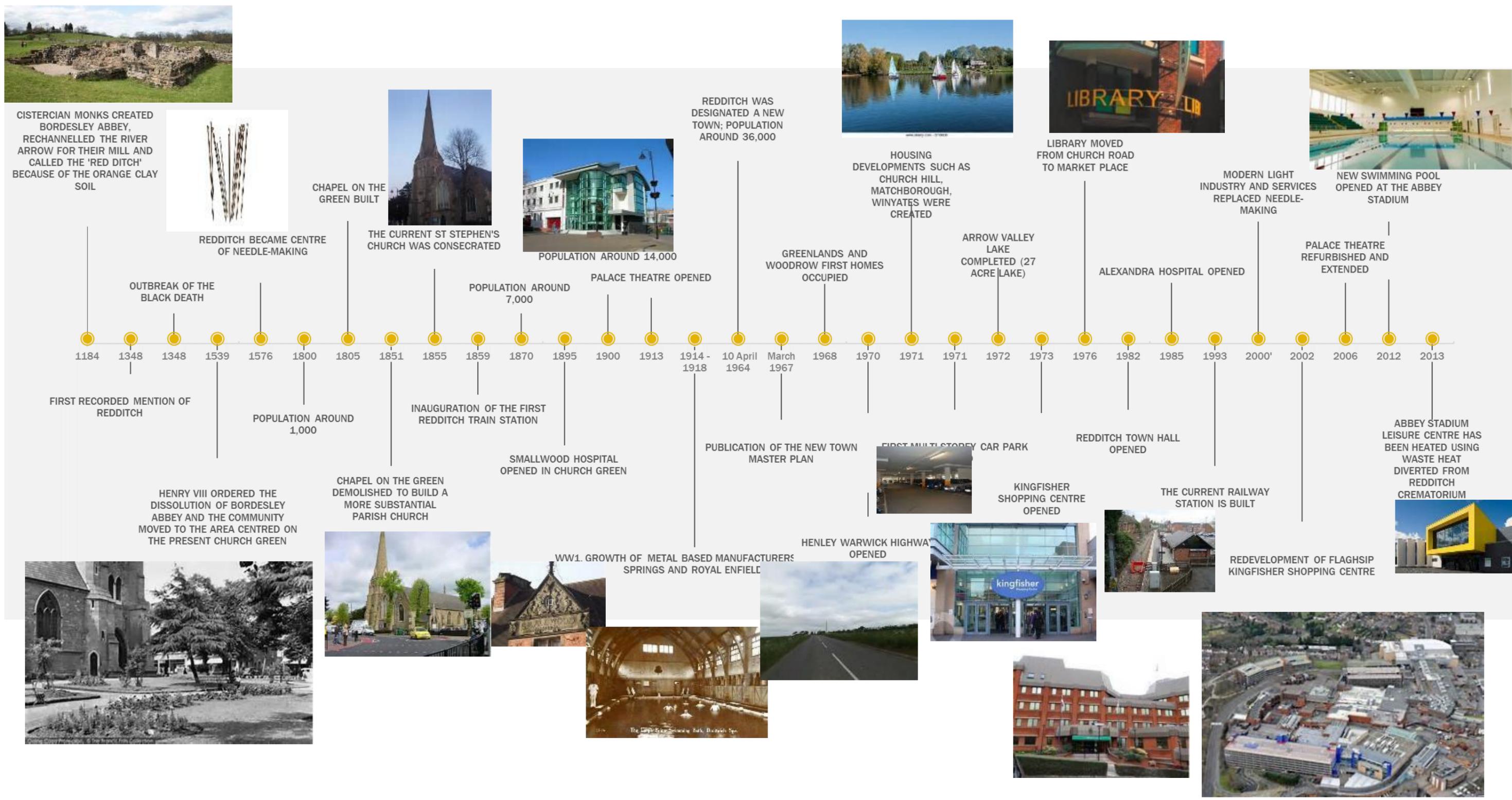
Redditch is well connected to the M5, M40 and M42 motorways providing good access to the Midlands and the South, with the main access routes into Redditch via the M42 being the A441 or A435 and the A448 via junctions 4 or 5 of the M5. The town is also well known for the only cloverleaf exchange in England situated at the junction of the A441 and A448. Birmingham Airport is 19 miles from Redditch Town Centre.

The town benefits from good public transport links, with regular train services into Birmingham New Street from the railway station on Unicorn Hill and bus services which operate from the bus station in the town centre, which was rebuilt in 2002 as part of the Kingfisher Shopping Centre expansion.

Redditch even has its own edition of Monopoly!



1. The History of Redditch



2. Redditch Today

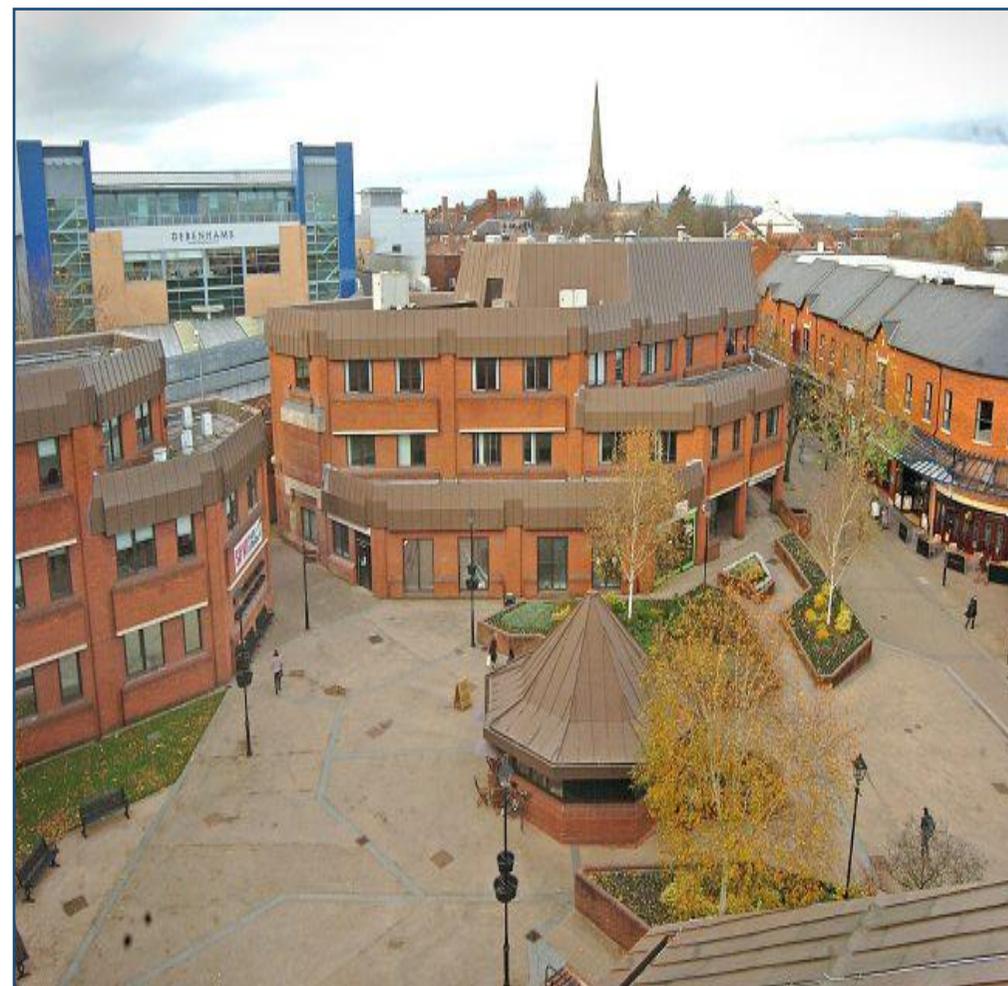
Following its development as a new town in the 60's, 70's and 80's there has been a lack of significant regeneration of Redditch. In contrast, competing areas have surpassed Redditch. A distinct lack of investment into the town along with growth of competition has contributed towards the decline and appeal of Redditch as a retail, amenity and business destination.

2.1 Economy

Present day, the town's economy is largely based upon the manufacturing/engineering sectors. These sectors have grown in Redditch since the original re-location from Birmingham and the Black Country, evidenced by significant mergers and acquisitions from overseas businesses. With circa 6 million people living within commutable distance of Redditch, this provides a strong base for creating employment opportunities.

This opportunity is already being capitalised upon with the current "Redditch Eastern Gateway" Project which is set to deliver additional jobs. Led by Stoford Developments, the project will provide circa 100,000 m2 of high profile employment space (B1, B2 and B8 uses) and act as a key driver in developing Redditch's wealth of engineering and manufacturing expertise.

Despite the Redditch Eastern Gateway project, since its inception as a new town, there is an overall lack of employment land and modern premises offer in Redditch which is restricting the ability for the town to grow. The proposed town centre re-development driven by the One Public Estate initiative is poised to act as a catalyst for further economic growth, unlocking the potential of the town and generating capacity to support economic and demographic growth both in Redditch and wider areas such as Birmingham.



Walter Stranz Square, Redditch

2.2 Real Estate Market

2.2.1 Residential Market

Redditch hosts a wealth of shops and is in close proximity to major cities such as Birmingham (15 miles). There is a variety of housing stock available suitable for all markets, with offers ranging from simple 1 bedroom flats to large detached dwellings. There is a wealth of character around the “Old Town” area with affordable older properties situated in the St. George’s, Mount Pleasant and Smallwood areas. Properties achieving values at the higher end of the market can be found in Astwood Bank, Feckenham and Callow Hill.

The areas of Lodge Park, Woodrow, Webheath, Greenlands, Batchley, Winyates, Matchborough, Churchill, Oakenshaw and Brockhill provide properties constructed post 1960’s with a variety to suit all budgets. A mix of Victorian and Edwardian properties are located in Webheath, Crabbs Cross, Headless Cross, Mount Pleasant, Riverside, Smallwood, Enfield and Astwood Bank. The main school catchment areas are Walkwood, Callow Hill, Church Hill North, Winyates Green and Webheath which naturally attracts families.

There is an appetite from investors in the town, evidenced by rental yields supported by good links to other Midlands areas, young families and professionals which is anticipated to grow following the Redditch Eastern Gateway project and proposed town centre re-generation.

New housing developments are prominent in Redditch with Taylor Wimpey’s “Millward Gardens” in Webheath, Bovis Homes’ “Millwood Meadows” off Weights Lane, David Wilson Homes’ “Abbey Gate” on Woodrow Drive and Persimmon Homes’ “Meadow View” on Hewell Road to name a few.

Since the development of Redditch as a new town in the 1960’s, society’s requirements have evolved in both cultural and commercial terms. There is now

a requirement for residential accommodation, leisure and employment facilities. The town centre offers an abundance of opportunity to provide such facilities to ensure the town centre meets contemporary and future needs. Residential units play a key part in the updating of the town centre as they are fundable and given demand for town centre living, saleable which generates income for the Borough Council.

Redditch has a unique opportunity to pioneer the development of the 21st century “new town” concept through providing residential supply in the town centre, shifting the balance away from concentrated commercial properties.

| Property type | Avg. value | Avg. price paid | Sales volume | Value change |
|---------------|------------|-----------------|--------------|-------------------|
| Detached | £348,796 | £319,179 | 336 | +12.08% (£37,589) |
| Semi-detached | £196,079 | £186,356 | 339 | +2.76% (£5,269) |
| Terraced | £154,655 | £153,486 | 283 | +5.53% (£8,105) |
| Flats | £127,828 | £110,463 | 103 | +6.31% (£7,590) |

Average property prices over the last 12 months (Source: Zoopla)

2.2.2 Office Market

The office market in Redditch town centre is characterised predominantly by Grade B/C space in multi-let buildings. At present, Grosvenor House and St. Stephen’s House are two of the main office buildings offering space in the Town Centre. Town Centre rents are relatively low, achieving anywhere in the region of £5 to £10 per square foot. The office market in the town centre has been overshadowed by a stronger out of town office market with demand for offices between 1,500 sq ft and 5,000 sq ft where rents up to £18 per square foot would be expected. This demand emanates from private investors and owner/occupiers for self-contained units. Perhaps the most notable recent out of town letting is the take up of just under 12,000 sq ft of space by MWH Global, the water treatment specialist (commercial details not disclosed).

The town centre office market is driven by small businesses which seek short and flexible terms. There is a lack of self-contained buildings with dedicated parking within the town centre and with limited rail accessibility to the outlying residential areas, demand for town centre office space is restricted.

At present, there is not an office market in Redditch Town Centre, particularly given that the majority of demand will be drawn towards the neighbouring City of Birmingham. Despite this, Redditch has significant potential with strong road links, vast employment catchment given the residential density of the locality and potential to improve rail links to Birmingham. The current rental tone of £5 to £10 per sq ft per annum renders any speculative office development unviable.

Redditch has huge future potential, as it is in position to provide competitively priced office space with short journey times to Birmingham City Centre. It is recognised that the public sector will need to play a lead role in regenerating the office market by de-risking schemes through Joint Ventures with developers. New development which caters to the market and captures demand from local areas can help to transform the tone of the market in the Town Centre.

2.2.3 Retail Market

Redditch has a heritage as a market town, with the current markets located adjacent to St Stephen's Church having relocated from the purpose built covered market area to the rear of the Kingfisher Centre. This covered market area is currently vacant, and could offer valuable retail space subject to the footfall being directed there.

The nearest supermarket to the Town Centre is Lidl, located just east of Grove Street. The closest large supermarket to the Town Centre is Asda's superstore which is approximately 20 minutes' walk from the Town Centre. There is potential for a local convenience store within the centre, on the site of Car Park 3

owned by Kingfisher Centre, which could be comparative in success with the Tesco Metro situated in Birmingham New Street for example.

The main retail outlet in Redditch is the Kingfisher Shopping Centre, based in the Town Centre comprising circa 1.3 million square ft of retail space, it serves approximately 965,000 residents in the immediate catchment area. In addition, there are smaller retail parks situated throughout Redditch including Trafford Retail Park and Abbey Retail Park hosting retailers such as Argos, Home Bargains and Iceland.

Rents within the Kingfisher centre range from £40 to £80 per ft² (ITZA) and houses anchor tenants Debenhams and Primark.

Any new retail will need to compliment, rather than compete with, the Kingfisher given its dominant presence. There is a distinct opportunity between the Heart of Worcestershire College and High Street/Kingfisher Centre via Peakman Street thoroughfare in addition to attracting new retail provision along Redditch High Street.

The current vacant units present in the Town Centre provide the opportunity to create more family dining and eatery options, which would complement the existing leisure offer within Redditch Town Centre.



The Kingfisher Shopping Centre, Redditch

2.2.4 Leisure Market

Redditch benefits from a range of leisure and recreational facilities including Town Centre attractions such as the Palace Theatre, Shipleys Bingo and the 7 screen Vue Cinema. There are some restaurants, serving a range of foods, in addition to seven public houses and a number of fast food outlets.

Wider Redditch provides a range of leisure facilities such as Abbey Stadium which provides both indoor and outdoor sports facilities, two swimming pools at the Kingsley Sports Centre and Hewell Road and Arrow Vale Leisure Centre and Arrow Vale Park (which consist of a Countryside Centre and Water Sport Centre).

To the north west of the Town Centre, a Holiday Inn Express offering 100 rooms within close proximity to the public transport bus and train networks. Travelodge has expressed an interest in developing a circa 60 room development within Redditch Town Centre. The Town lacks provision of any branded upper-grade hotels, which presents an opportunity to cater for this market through the Place Review.

Anecdotal and survey evidence suggests that there is a lack of quality night time and family orientated dining to complement the strong retail offer and recent cinema opening. A lack of restaurant provision within the Town Centre restricts the both the evening and daytime economy. Investment into public realm works not only presents the opportunity to create new restaurant outlets, but also link the footfall from the Kingfisher Centre to the High Street. This increase in footfall would boost the appeal of retail outlets on the High Street improving and complimenting the existing Town Centre retail/leisure offer.



Abbey Stadium, Redditch

III. PLACE REVIEW METHODOLOGY

A comprehensive mapping of all public sector assets (freehold and leasehold) in the town centre was completed and property data collected from all of the public sector stakeholders to provide a framework for the review. The map also identifies other assets e.g. St Stephens Church, The Kingfisher Centre, properties on North side of Alcester Street, land at Edward Street and land owned by Network Rail at Redditch Railway Station, which may be relevant to Place Review initiatives or could be a significant component of emerging proposals for the regeneration of the town centre. This map and a schedule of assets can be found at Appendix 1. The public sector estate is strategically placed to be used as a catalyst to regenerate the area with new housing, retail and recreational facilities through the rationalisation and redevelopment of assets that are no longer fit for purpose.

The majority of public sector assets in Redditch town centre are owned by either Redditch Borough Council or Worcestershire County Council. Almost 90% of these assets in Redditch town are freehold with uses mainly as offices, retail units and schools but also including health services, community buildings and the police station, courts, fire station and library. Some have been identified as surplus or underused and others are in need of replacement due to relatively high running and maintenance costs.

Following a workshop held at the beginning of May 2016 stakeholders were consulted to identify some of the issues relating to the delivery of services from existing assets in the town, and to determine key strategic and operational requirements.

The information collected from stakeholders was used to scope potential projects that might form the subject of an initial options appraisal and outline feasibility exercise. Some projects are interdependent e.g. the development of a

public sector hub and proposals for redevelopment of Smallwood House site and Town Hall as possible multi-agency hub locations.

A programme board was constituted with representatives from all key stakeholders and chaired by Redditch Borough Council's Chief Executive to oversee the review and to provide executive approval and direction in meeting the aims and objectives of the review.

Options appraisals have considered financial viability, potential funding sources, procurement methods and compliance with OPE objectives. To inform future decision making an assessment has been made regarding levels of occupancy and usage, suitability, running costs and net present value of assets.

The following key assumptions were made in developing the option appraisals:

1. Reduced accommodation standards and 2:1 staff to desk ratio. However, assumptions relating the police requirements have at this stage used their approximate current space usage of 1,800 m². This usage estimate is pending further ongoing space requirement analysis.
2. Capital cost estimates are inclusive of land acquisition, construction, external works, fees and a provision for fitting out.
3. Estimated running costs for new build based on BCIS rates assuming BREEAM standard of Very Good.
4. Cash flows have modelled total potential income and expenditure over a 25 year period into perpetuity, including capital receipts and rental income from release of surplus assets where appropriate.
5. The cash flow model is generally used to appraise investment projects whereas in this case it has enabled a comparison of discounted revenue and capital costs for different options over a period of years. A range of capitalisation rates between 6% and 8% have been used for all cash flows. This reflects projected borrowing rates and also the perceived project risks (e.g. land assembly, income from asset disposals and lettings, future changes in operational and service needs). It should be noted that the rate of return that has been used may be adjusted to reflect perceived risks and although

this would alter the NPV, the differential between options would remain relatively unchanged.

IV. STAKEHOLDERS

The Redditch Place Review board is comprised a wide and diverse range of public and private sector partners. All partners share the common goal of making Redditch a better place where people have access to great education, excellent healthcare and a community that people will be proud to live and work in. The universal commitment from all partners ensures that the scale of proposed change is significant.

The Place Review is being led by Place Partnership:



"We are here to drive the transformation of Redditch with the support of stakeholders, working towards achieving the vision for the town. We strongly believe that the Place Review will direct and positively contribute towards the change needed to create the vibrant, sustainable and thriving community for residents, visitors and businesses for generations to come"

In addition to the Place Partnership project team, the Redditch Place Review Board includes the following stakeholders, all of whom are committed to achieving the vision for Redditch to create a thriving and sustainable economy:

Redditch Borough Council

Kevin Dicks – Chief Executive

Jayne Pickering – Executive Director of Finance

Ruth Bamford – Head of Planning and Regeneration



Worcestershire County Council

Nigel Hudson – Head of Strategic Infrastructure and Economy



West Mercia Police

Richard Elkin – Director of Enabling Services



Hereford and Worcester Fire and Rescue Service

Nigel Snape – Head of Legal Services



National Health Service

Mark Fenton – Head of Estates and Facilities Management



Redditch Place Review 2017
OPE and re-generating Redditch Town Centre
5 February 2018

Homes and Communities Agency

David Charmbury – Specialist, Accelerated
Delivery



Regeneration Manager

St. Stephen's Church

Reverend Paul Lawler



Heart of Worcestershire College

Stuart Laverick – Principal



Kingfisher Shopping Centre

Ken Williams – General Manager



Rail Services

Collette Brown-Bolton – Network Rail - Senior
Surveyor



Robert Hornsey – Head of Cross City Services
London Midland



North Worcestershire Economic Development
and Regeneration

Dean Piper – Head of Economic Development
and Regeneration



Jonathan Elmer – Economic Development and

V. ASSETS INVOLVED



TOWN HALL REDDITCH, Walter Stranz Square, B98 8AH

Title number: WR126315

Land area: 8,145 sqm / 87,640 sq ft / 2.01 acres

Building area: 7,236 sqm / 77,859 sq ft in the following breakdown

| | |
|--------------------|--------------------------|
| Lower Ground Floor | 1,094 sqm / 11,771 sq ft |
| Ground Floor | 1,818 sqm / 19,562 sq ft |
| 1st Floor | 1,349 sqm / 14,515 sq ft |
| 2nd Floor | 1,274 sqm / 13,708 sq ft |
| 3rd Floor | 1,041 sqm / 11,201 sq ft |
| 4th Floor | 660 sqm / 7,102 sq ft |

Current occupiers: Redditch Borough Council, Nursery

Alternative utilisation options:

1. Residential conversion
2. Re-development to mixed use (retail/leisure/hotel/residential)
3. Grade-A office conversion
4. Grade-B office refurbishment
5. Conversion to hotel
6. Residential redevelopment (including demolition of current building)

Annual running costs: £7.89 psf





LIBRARY REDDITCH, 15 Market Place, B98 8AR



Title number: WR139151

Owner: Worcestershire County Council

Land area: 933 sqm / 10,043 sq ft / 0.23 acres

Building area: 2,553 sqm / 27,469 sq ft

Ground Floor 1,174 sqm / 12,632 sq ft

1st Floor 805 sqm / 8,662 sq ft

2nd Floor 574 sqm / 6,176 sq ft

Current occupiers: Library, Job Centre Plus

Alternative utilisation options:

1. Residential conversion
2. Grade-A office conversion
3. Grade-B office conversion
4. Hotel conversion
5. Retail conversion
6. Demolition for Public Open Space

Annual running costs: £7.00 psf



POLICE STATION REDDITCH, Grove Street, B98 8DD



Title number: WR87251

Owner: West Mercia Police & Crime Commissioner

Land area: 3,141 sqm / 33,797 sq ft / 0.8 acres

Building area: 3,384 sqm / 36,412 sq ft in the following breakdown

| | | |
|--------------------|-------------|--------------|
| Basement | 37 sqm / | 398 sq ft |
| Lower Ground Floor | 407 sqm / | 4,379 sq ft |
| Ground Floor | 635 sqm / | 6,833 sq ft |
| 1st Floor | 1,132 sqm / | 12,180 sq ft |
| 2nd Floor | 1,173 sqm / | 12,621 sq ft |

Current occupiers: WMP

Alternative utilisation options:

1. Residential redevelopment
2. Grade-A office redevelopment
3. Grade-B office refurbishment
4. Development of a brand new police station
5. Refurbishment of the current police station

Annual running costs: £7.80 psf



Holtham Collection.

Redditch Fire Station & Appliances. 1990.



FIRE STATION , 226 BIRMINGHAM ROAD, REDDITCH, B97 6EL

Title number:

Land area: 3,500 sqm / 37,660 sq ft / 0.86 acres

Building area: 933 sqm / 10,071 sq ft in the following breakdown

Current occupiers: HWFRS

Current annual running costs: £46,000 p.a.



SMALLWOOD HOUSE REDDITCH, Church Green West, B97 4DJ



Title number: HW135680

Land area: 4,271 sqm / 45,956 sq ft / 1.06 acres

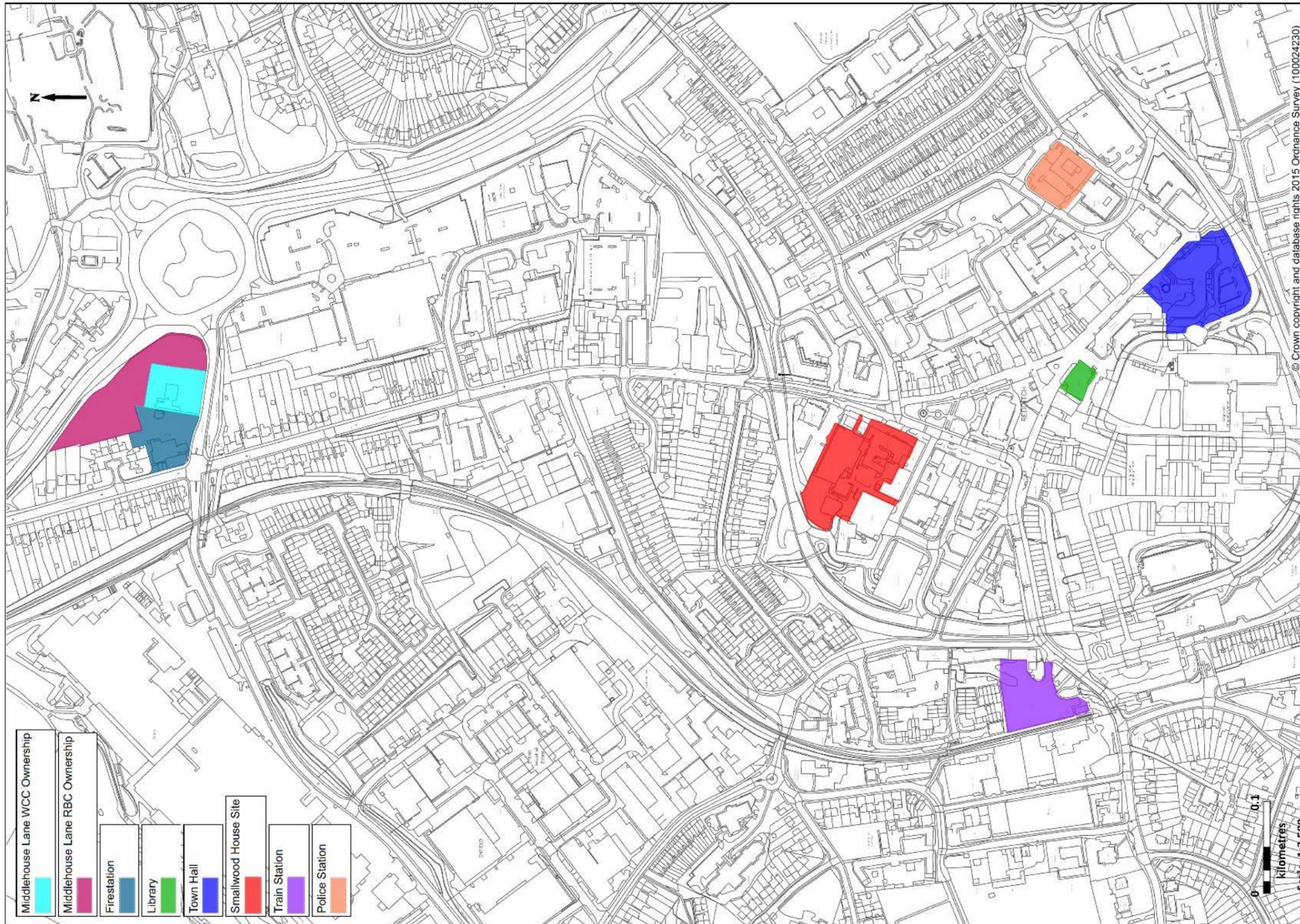
Building area: 1,613 sqm / 17,356 sq ft in the following breakdown

Current occupiers: NHS

The front façade of the building is locally listed.

More recent additions to the rear can be demolished and redeveloped to office buildings.

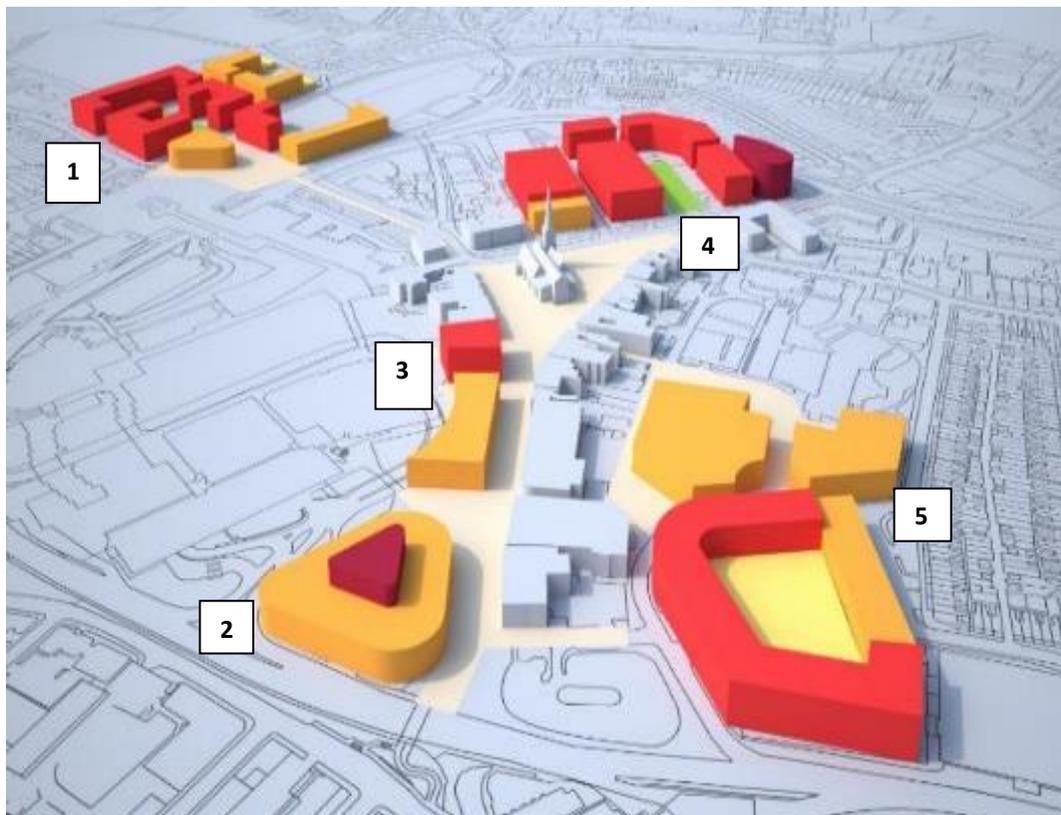
The assets detailed above are shown in the plan below:



VI. ONE PUBLIC ESTATE PROJECTS

The long term vision of this review is to create well defined quarters within the town centre all of which cohesively work towards its regeneration. The illustration opposite provides a potential layout. The blocks in red comprise 4 storey buildings and yellow 3 storey.

- **Location 1** – Train Station Quarter. An improved gateway into Redditch with clear pedestrian links.
- **Location 2** – Leisure quarter. Originally this area was envisaged as a leisure quarter, providing retail/leisure/hotel and residential. However, this would only be financially viable if the asset was held in perpetuity. The alternative, more feasible option is to convert solely to residential as evidenced in the option appraisal.
- **Location 3** – Threadneedle House (yellow block) and the Library (red block). Threadneedle House is currently being converted for residential use. The Library building could be demolished and the cleared site utilised to create public realm works including water fountains, clear pedestrian links through to the Kingfisher Centre and possibly small retail outlets/restaurants.
- **Location 4** – Commercial Quarter – This location will form an administrative district which provides commercial office space for both the public and private sector, with potential to absorb demand for office space from Birmingham.
- **Location 5** – Residential Quarter. Additional homes provided to provide quality places to live for people and compliment the Town Centre regeneration as well as helping achieve the Town’s housing targets.



1. Town Hall



The Town Hall, the main municipal offices for Redditch Borough Council, has been identified as a key public sector asset with significant potential for co-location, refurbishment and redevelopment opportunities.

This is a 6 storey, concrete framed building with brick elevations, built in the 1970s and comprising some 7,236m² of net internal area and located within 0.86 hectares (2.01

acres) (total ownership site area shown outline in red on the Site Plan in Appendix 2), including an external 56 space car park. The property is located at the southern end of Alcester Street opposite the Palace Theatre, Rileys Indian Restaurant, a Weatherspoons public house and other potential leisure based retail outlets.

Threadneedle House, a property that was originally linked to the main structure was sold a few years ago and more recently separated from the main structure. This is currently undergoing refurbishment and conversion to form 48 apartments, which has recently been marketed.

The Town Hall currently houses 380 RBC staff. Other third party users include the Citizens Advice Bureau (CAB) and a nursery.

It is apparent that parts of the Town Hall are presently under-utilised and the internal space is showing signs of age and in need of refurbishment. A space audit and benchmarking exercise was undertaken and options investigated with a view to improving the use of the building for better service delivery, potential for cost savings and opportunities for income generation or relocating to a new Public Services Hub with the same potential savings in conjunction with other partner / occupier organisations.

The following options were considered:

Option 1 – Do nothing

Option 2 – Review current utilisation of space within the Town Hall and create vacant space, using existing furniture within the building.

Option 3 – Review current utilisation of space within the Town Hall and create vacant space by forming open plan working spaces, investing in new furniture and new ways of working.

Option 4 – Relocation of Redditch Borough Council together with current interested tenants / licensees from the Town Hall to another building within Redditch, to release the building for refurbishment / redevelopment.

Option 5 – Sale of whole and leaseback of part refurbished offices and reception for municipal use the remainder being converted for alternative uses such as a hotel or residential (owned by a third party).

Outcome

An appraisal of the options for the Town Hall has demonstrated that Option 2 would provide a cost effective means of improving space utilisation for RBC but may not provide better ways of working and utilisation of space. Subject to capital investment greater space efficiencies might be achieved with the opportunity to release even more surplus space for alternative uses if Option 3 were employed. With the exception of Option 2 none of these options would be likely to generate sufficient value to finance the substantial capital investment required for transformation of office space and services, alternatively Option 5 would result in significantly increased revenue costs for RBC which would be the opposite of what would be desired by the Council.

In light of these findings the Review has focused on **Option 4** relating to a combined RBC/Public Sector Hub in collaboration with other public sector partners as a means of sharing financial risk and facilitating the release of other assets in the town centre (e.g. Smallwood House, library, registry office and potentially the police station if relocation with the Hub proved to be the preferred option).

Cost estimates used to evaluate this project have subsequently been refined and superseded by those provided by Quantity Surveyors for the appraisal of the Public Sector Hub.

Town Hall Disposal / Redevelopment

Upon relocation to the new Public Services Hub the existing offices would become vacant and disposal or reuse at the earliest date must be considered as a priority to ensure that unoccupied property costs are kept to a minimum.

Future uses that have been considered for the former Town Hall are as follows:

- **Letting or selling the office space in its existing condition as a whole or in parts** - On the face of it this option is the least expensive in terms of capital expenditure and potentially produces an acceptable income or capital receipt from the building but there may be little demand unless the space is let at a low rent. This type of space would not generally attract the best users and there could be a high turnover of tenants. This use would require intensive management and although costs should be recoverable through a service charge there may still be voids where costs are not recoverable. This use is not likely to create greater vitality within the town centre.
- **Refurbishing to create more modern office space that would demand a higher rent** – This option would create more desirable space but it is clear from the lack of take-up of office space within the town centre that there is very little demand at this moment in time. This situation may change through time as office rents in Birmingham become so high that companies are forced out into the regions.
- **Conversion to form 78 new apartments** - In theory this option would produce a good return on cost but is very much dependent upon demand and a very conservative approach has to be taken to letting or selling the apartments. Threadneedle House will provide a good indicator as to the demand for apartments within the town centre. However, the quality, size and price of the apartments is also going to be a key factor in creating desirable accommodation as well as the location.
- **Mixed use conversion creating either hotel and residential, residential and office, or hotel and office with perhaps a small amount of retail on the ground floor** – There is a requirement for a 60+ bed hotel within the town and conversion of part of the building for this use is possible. This use clearly would not occupy the whole building so other alternative uses linking with the hotel would need to be considered. A3, food retail, uses on the ground

floor could marry in very well with a hotel and potentially residential or office within the remaining space.

- **Demolition of the existing building with a view to redevelop the site for retail, leisure, hotel, residential or mixed use** - Demolition of the building would create a 0.8 hectare (1.98 acres), slightly sloping site, in a very prominent location next to the ring road with easy pedestrian access into the town centre, access from the ring road and good links into the Kingfisher Centre and the adjoining multi-storey car park. This option could potentially have a very marked effect on the town centre. However, the cost associated with the demolition would be high, and to make this option stack up financially and therefore attractive to a developer, funding to demolish the building and clear the site may be necessary. This could be one of the projects where funding through the LEP (see Chapter VII) could be justified.

2. Redditch Library regeneration



Redditch Library is owned by Worcestershire County Council and is situated in the Town Centre occupying a prominent High Street position fronting one of the entrances to the Kingfisher Shopping Centre. Jobcentre Plus (JCP) is due to relocate to the library in early 2018.

It is proposed that a future relocation of an integrated Library/JCP as part of a new public sector hub would complement other services and strengthen the role of the Hub as a key town centre destination.

The relocation of this service would result in the library building becoming vacant. Given the building's prominent position, the most beneficial opportunity is considered to be demolition of this building utilising the cleared site to extend the public realm and create a community focal point between the High Street and the Kingfisher Shopping Centre.

A demolition of the building could potentially be funded from the GBS LEP grant, as detailed in Chapter VII. Whilst the demolition of the building does remove an asset with inherent value, as detailed in the alternative option financial

appraisals, the demolition and resulting public realm works have a clear focus on the regeneration of the Town Centre both aesthetically and economically.

The public realm works proposed in this location would include seating areas, water features and restaurant outlets as detailed overleaf. The intended investment would create an area where people can stop, relax and socialise, as well as hosting a variety of events. A design could incorporate features such as lighting columns, a water feature with fountain jets which can be drained to create events space, a glade of trees, seating and greater integration of the Kingfisher Centre into the wider design of the square. The square could be further enhanced by the addition of a canopy stage, as well as with nearby retail outlet developments and the opening up of the pedestrian access between the Kingfisher Centre and the Church Green area as part of the redevelopment works.

Demolition rather than re-use of the Library Building would open up the access way to one of the main entrances into the Kingfisher Centre that is currently shrouded by the Library. A new piazza could be created and public realm works would need to be undertaken to create a venue for public events throughout the year. However, an unattractive open void would also be created if demolition of the Library is considered on its own. A new, smaller, single storey development of up to 500 m² of retail space (A1/A3) potentially providing a new café and restaurants would help create greater viability & vitality within that area of the town centre.

However an alternative could be for the owners of the Kingfisher Centre to redevelop the unit adjoining the piazza to create a number of A1/A3 outlets fronting the piazza. An example of how this may appear is shown below.

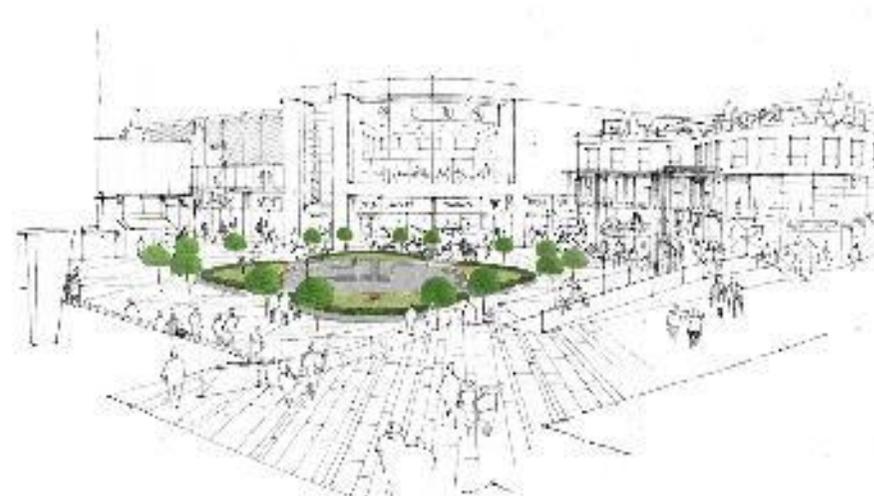


The purpose of introducing these features is to provide the Town Centre with a more open and connected feel. Presently, there is a disconnect between the prominent Kingfisher Centre and the High Street which is lined with vacant units. By creating a Town Centre focal point, sandwiched between a regional shopping centre and high street, it may generate footfall and also improve the prospects of letting the vacant units. In conjunction with a shop front improvement scheme, the regeneration of this area would be a catalyst to revitalising the Town Centre economy.

The examples of public realm works overleaf provide a visual representation of the aim for the cleared library site. In addition to public amenities such as seating areas and water features, construction of glass fronted restaurant outlets would vastly improve the evening economy of the Town which is currently

absent. Tenants could include national food outlet brands which typically occupy such town centre locations.

The resulting “Urban Square” provides opportunities for daytime and evening events for children and adults alike. This type of development has proved a great attraction for families in other Towns such as Londonderry/Derry, Manchester and London.





Londonderry/Derry City Centre Public Realm

Source: fpmccann.co.uk



Greengate Public Realm, Salford, Manchester

Source: David Dixon



Duke of York Square, London

Source: Davis Landscape Architecture

Covered Market Area

An underutilised, open sided but roofed area comprising of 505m² of ground floor space adjoining a back site walkway known as Market Walk (see plan below) has potential to be redeveloped for alternative uses.

The former 'covered market area' could be developed to house the proposed relocation of the public/customer facing Hub ('One Stop Shop'). The Public Services Hub would include all of the services proposed to be located with a back office and include, a police desk, WCC, RBC, JCP, CAB, planning portal and the public library and meeting rooms.

However, the available ground floor space is not very large and expansion beyond the existing floor plate is not possible without major redevelopment that would need to include nearby buildings.

The covered market area does not lend itself to housing the back office requirements on top of the public facing services due to the small footprint of the site, the 'back site' nature of the location and the close proximity of other high rising buildings. There would be very limited spatial separation between the buildings due to their close proximity to one another that may raise issues around fire risk, right of light, security and privacy.

Due to the enclosed nature of this location and the necessity to split the public facing and back office requirements, this would not be a preferred option for the Public Services Hub.

An alternative use for the covered area could be as a secure-store to house town centre event equipment and possibly market stalls. This could be achieved by building up the two exposed sides.



Covered Market area

3. 'Blue Light' Services

3.1 West Mercia Police



The existing police station (Local Area Policing Base – LAPB) has been included within an estate rationalisation program announced by the Police and Crime Commissioner in 2013. This also aligns to the “Looking to 2020” vision document that sets out ambitions for the Police up to 2020 and beyond.

The existing LAPB which is located on Grove Street in

Redditch town centre was originally constructed in the late 1970s and comprises approximately 3,384 m² (GIA) of useable space over 4 floors. The property is located on a sloping site of approximately 0.32 hectares (0.8 acres) as delineated on the attached plan in Appendix 2.

1,800m², the approximate current internal space usage, is also being used as the gross internal space requirement for the new build but this area is an estimate and subject to ongoing further space requirements analysis.

A separate report has been produced highlighting the feasible options in relation to the future operation of police services within Redditch which are summarised below:

- **Refurbishment and retention of existing Local Area Policing Base (LAPB) -** Due to its age and construction there are presently a number of problems with the fabric of the building including high levels of asbestos. The property is also significantly larger than today’s policing requirements would demand and suffers from high costs of operation.
- **Build a new standalone LAPB - The land area required to comply with current standards and housing a building of only 2 stories has been estimated by architects to be 1.2 acres based on a total gross internal area of 1,800m² and assuming a provision of 60 car parking spaces. If the new LAPB is out of the town centre, provision would need to be considered for the town centre Safer Neighbourhood Team (SNT). This provision (probably to cater for 24 hours policing for 3 officers) can be provided within the Public Service Hub proposed to be located off Church Green West.**
- **Build a new LAPB in conjunction and jointly with the fire station** Space requirements could be further reduced to 1,620m² when considering a combined build and sharing services with the fire service on Middlehouse Lane. It is possible that space requirements could be increased or further reduced but this will not be fully determined until full spatial analysis is undertaken when final requirements are determined. This option will be detailed in the next section and would provide an overall reduction in build cost allocation and land take. There would also be a reduction in overall running costs compared to a standalone station.

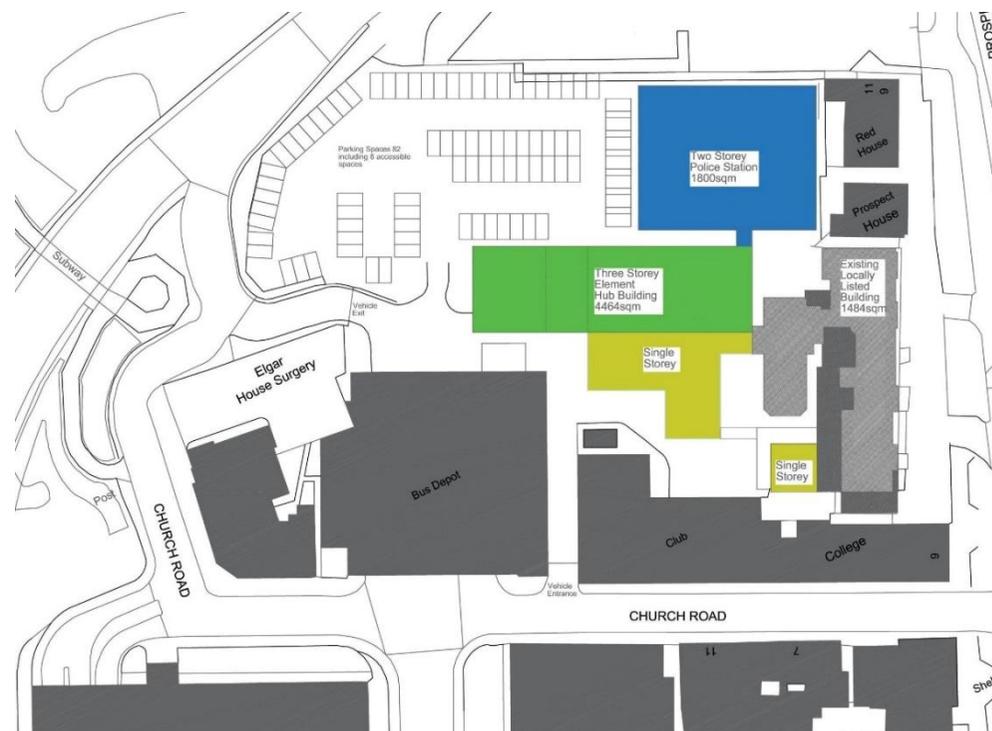
However, being outside of the town centre provision for SNT officers within the Public Services Hub would need to be considered.



Plan A – Combined Police and Fire ‘Blue Light’ facility on WCC & RBC land on Middlehouse Lane

It is important to mention that currently there is a policy conflict between the planned developments and the actual allocation of the site for housing.

- Build a new LAPB in conjunction and jointly with the new Public Services Hub** – Acquiring both the Smallwood House and adjoining HCA site off Church Green West would provide enough land to build the Public Services Hub and a new LAPB. At this stage integration with the Hub has not been considered and therefore the estimated gross internal area remains at 1,800m² but there could be a physical link and front counter presence within the Hub reception. Plan B shows a possible layout of the Hub and LAPB on the Church Green West land. This option does remove the need to have a separate area within the Hub for 24 hour use by SNT officers. This requirement could be included with the LAPB rather than the Hub.



Plan B – LAPB in conjunction with Public Services Hub

3.2 Hereford & Worcester Fire and Rescue Service



The Fire & Rescue Service has a requirement to replace the existing fire station located at Middlehouse Lane as it is both dated and suffering from subsidence.

The existing fire station is located on the corner of Middlehouse Lane and the Birmingham Road. The main building is a brick built 3-storey structure comprising of approximately 936m² (GIA) located on a relatively level site of 0.35 hectares (0.86 acres).

A recent analysis has concluded that based on evidence of risk of fire, incident activity, road network and home locations for retained fire fighters that Redditch station would be best placed either on, or near, the current location at Middlehouse Lane.

The development of a new fire station on adjoining land owned by Worcestershire County Council, or that owned by Redditch Borough Council would be the ideal scenario and although the new station could be built on the land owned by Fire Service there would be much less disruption and no loss of land to service the fire station during the construction phase by building on the adjoining land.

This approach would require co-operation by the County and/or Borough Council.

A multi-agency hub with the Police is another possibility that would satisfy the



requirements of both blue light services. This option, considered within the options for the relocation of the police station in the next section, would again require co-operation by both

Worcestershire County Council and the Borough Council since the

land take would be greater than that required for the fire station alone and the extent of the County land would not be sufficient.

Plan A in section 3.1 shows an example of the combined service which for this example uses a land area of 0.74 hectares (1.83 acres). This option would still leave 0.64 hectares (1.59 acres) of land for future redevelopment and the opportunity to generate a capital receipt.

The combined hub would provide an opportunity for service integration and also reduce the build area requirements for each individual service. This is achievable due to the sharing of building services and facilities such as reception and toilets. The estimated GIA for a standalone police station is 1800m² and fire station at 1100m². The combined area total could potentially be reduced to 2,610 equating to 1,620m² for the police and 990m² for fire.

The Fire Service have allocated funding to enable the development of the new fire station and the project is in position to move to feasibility stage.

Outcome

Dependent upon the police making a decision in relation to their options for relocation or refurbishment of the existing station, the joint Blue Light facility would be the most rational decision.

However, the fire service will first need to move forward with plans to build a new station. This can be as a standalone project or in conjunction with the police to produce a joint 'blue light' Hub that would hopefully produce some integration between the services and thus further potential cost and space saving.

The option for the redevelopment of the land adjoining the existing fire station for either retail or residential use could still be considered even if the joint 'blue light' development on the Borough & Worcestershire County land went ahead. However, the reduction in available land from 1.03 hectares (2.55 acres) to 0.64 hectares (1.59 acres) may prove to be insufficient for the supermarket operator.

If the decision is taken to relocate the LAPB to Church Green West it would mean a separate town centre base for SNT officers is not required. Further integration of the police operation could also be considered as part of the Public Services Hub thus reducing the space requirements within an individual LAPB. However, space would still be required to house staff either within the LAPB or the Hub and as such there would still be the cost of occupation either paying rent / licence fee or a capital sum through a JV vehicle.

Further feasibility work and more accurate costings can be produced when we have a better understanding of the blue light services preferred option.

Relocation from the existing LAPB would potentially free up a town centre site for residential, leisure or retail development which could also include the 'stopping-up' of Grove Street and creating a link to the adjoining retail site. However, the demolition costs associated with the existing building would be high, , due to the presence of asbestos within the building which in turn would reduce the net capital receipt for the site. Currently we are not aware of any retail or leisure occupier demand for the LAPB site. It is also crucial to bear in mind that the Town Hall is recommended for residential conversion; redevelopment of the LAPB site concurrently with the Town Hall for residential use may result in an oversupply.

4. Public Sector Hub

There is an opportunity to create a public sector hub in the town centre to provide a single point of delivery for a range of integrated public and voluntary sector services building on the success of existing partnership ventures such as Connecting Families.

A broad assessment of space requirements for potential Hub partners has been used to evaluate possible options for co-location with RBC either within a refurbished Town Hall or a new build on either HCA/NHS land at Church Rd /Smallwood House or the land adjoining the Railway Station or the site of the current library. All would require substantial capital investment but could potentially deliver significant service transformation benefits and efficiency savings for partners in line with the OPE objectives. A new build would also act as a catalyst for redevelopment facilitating other regeneration objectives.

The potential partners interested in relocating into a new Public Services Hub together with their space requirements are as follows:

| Partner | GIA |
|---------------------------------|----------------------|
| RBC (Office) | 1,236 m ² |
| RBC (Civic) | 420 m ² |
| Printing | 168 m ² |
| Library | 800 m ² |
| Job Centre Plus | 400 m ² |
| NHS | 1,000 m ² |
| Publicly accessible areas (Hub) | 440 m ² |
| Police | TBD |
| HCA | TBD |
| Citizens Advice Bureau | TBD |
| National Probation Service | TBD |

| | |
|-------------------------------|-----|
| Accord Housing | TBD |
| Worcestershire County Council | TBD |
| Others | TBD |

The following options for a Hub have been considered and assessed using a discounted cash flow model to determine comparative life cycle costs (further details of each option and a summary of outcomes are provided at Appendix 3):

Town Hall refurbishment to accommodate:

Option 1 – RBC, a Public Sector Hub and surplus space

Option 2 – RBC, a Public Sector Hub, Library & JCP

New Build Accommodation

Option 3 – RBC and a Public Sector Hub

Option 4 – RBC, Public Sector Hub, Library & JCP

Option 5 – RBC, Public Sector Hub, Library & JCP and relocated LAPB & Parking

Outcome

A refurbishment of the Town Hall would maximise use of the existing asset enabling earlier implementation of hub proposals. Whilst the capital investment required for a new build would be significantly higher, this offers an opportunity to stimulate redevelopment of other key town centre sites and increased OPE regeneration benefits. However, a purpose built public sector hub would provide additional benefits including efficient and flexible working space, the potential for further collaborative and joined up working, lower running costs from a modern and energy efficient building and potential for income streams from letting of surplus space.

The project finance for construction could be funded via the disposal of surplus assets, prudential borrowing, central government grant funding, private sector equity (JV) and making better use of retained assets which will generate a revenue stream to cover the financing costs.

When modelled over a 25 year period and beyond this option compares very favourably in Net Present Value terms with the status quo and retention of existing assets.

4.1 Smallwood House / HCA Land



The Smallwood House site, in conjunction with the adjoining land owned by the Housing & Communities Agency (HCA) is seen to be the most developable site within the town centre and has the advantage of overlooking Church Green.

The Smallwood House site and the adjoining HCA land on Church Green West comprises approximately 0.43 hectares (1.06 acres) and 0.42

hectares (1.04 acres) respectively, outlined in red on the site plan in Appendix 2.

This location is seen to be the most suitable and potentially available location for a new Public Services Hub due to its central town centre location and potential to revitalise a rundown area of the town.

Smallwood House itself was constructed as a hospital in 1895 and remains a medical centre today in the ownership of Worcestershire Health & Care NHS Trust. The current building comprises a total of 1,613m² of gross internal space and is locally listed so that any redevelopment of this site would need to take this into consideration which in effect may mean that the facade Church Green West would need to be retained together with part of the adjoining structure.

Potentially the front portion of the existing building could be refurbished and let commercially for shops, coffee bar and restaurants. There would be sufficient land to the rear of those parts that need to be retained to house the new build hub, offices, library and LAPB.

The merits and challenges of retaining the façade plus part of the adjoining structure have been discussed with architects, and we have been advised that in so doing it would not only be difficult to achieve acceptable modern office specification but differing floor levels would seriously compromise the configuration and efficiency of the new space. In addition, incorporating the original structure is likely to increase development costs. If the new building was set back beyond the existing buildings which could then be refurbished to provide an alternative viable use then that may be less costly but this option would use the space theoretically allocated for parking around the new building.

It may be possible to retain elements of the facade e.g. the middle section and still achieve the goal of a landmark new building. However it is recommended that an architect is commissioned to further analyse the possible options and detailed costings around retention of Smallwood House.

A schematic plan showing the potential new build adjoining Smallwood House together with the LAPB is shown on page 36 under the section relating to West Mercia Police (Plan B). The plan shows the new 3 storey Public Services Hub building comprising of 4,464m² together with an adjoining LAPB comprising of 1,800m² and makes full use of the both sites including parking although a fair

proportion of the required parking for the proposed scheme could be provided within the nearby multi-storey car park 7 (owned by Capital & Regional and Oak Tree Capital Management, who also own the Kingfisher Centre) if not redeveloped as retail function.

The land owned by the HCA used to house the 3-storey concrete framed block known as the Smallwood Health Centre. This was demolished in 2013 and the site cleared ready for redevelopment. The HCA were originally considering disposal of the site for residential development but a recent marketing campaign did not generate the required interest. The HCA received offers to purchase the site for car parking, however, use of the land for car parking would be contrary to planning policy.

A former nightclub building (shown shaded in purple on the site plan in Appendix 2) has recently been demolished and planning permission has been granted to build a 4 storey residential block comprising 27 apartments (a 3D impression of the new build is shown below). This new residential scheme will complement the proposed Hub development although any new planning application will need to consider any 'right of light'.



It is understood that the Trust would be willing (subject to the Trust's Board approval) to dispose of this asset but would want to retain some clinical space within the proposed new Public Services Hub to replace the services, lost due to the closure of the current medical centre, that would be required within that location. The services to be retained would need to be temporarily relocated elsewhere during the development phase of the site.

Negotiations are also taking place with the HCA to acquire the adjoining site that would certainly be required if the LAPB is to be based with the Hub.

A combined RBC/Hub scheme would provide the foundation for an ambitious and vibrant mixed use development in this part of the town centre comprising public sector, residential and commercial uses. To ensure that regeneration opportunities for this site are not lost both NHS and HCA assets need to be retained in public ownership pending the conclusion of the review and outcome of a detailed feasibility exercise for the development of a new public sector hub.

Outcome

It is understood that the Worcestershire Health & Care NHS Trust would be willing (subject to the Trust's Board approval) to dispose of the Smallwood House asset but would want to lease clinical space within the proposed new Public Services Hub to replace the services, lost due to the closure of the current medical centre, that would be required within that location. The services to be retained would need to be temporarily relocated elsewhere during the development phase of the site.

The proposed method of acquisition of the freehold of the site from the Trust would be by way of a 3 year 'Option Agreement' which would allow the prospective purchaser of the site the right to buy but subject to them obtaining satisfactory planning permission, obtaining the funding to purchase the property

and undertake all necessary surveys. All permissions and agreements to lease with prospective tenants for the Hub could also be agreed during this period. The purchaser must have the right to complete on giving reasonable notice or terminate the option.

Negotiations are also taking place with the HCA to acquire the adjoining site that would certainly be required if the police decided to locate the LAPB with the Public Services Hub. However part of the site may also be required to accommodate part of the Hub building or services associated with the use of the building even if the LAPB were located elsewhere. It is unlikely that the whole site would be needed from day one but should be kept for expansion or other viable uses.

This land should provide additional commercial office accommodation should further demand be generated from the Smallwood House development thereby becoming a strategic town centre site and commercial focus to act as a catalyst for the wider regeneration of the Church Green West area.

5. Railway Gateway

The area in the immediate vicinity of the station and Edward Street is identified in the Council's Local Plan as part of a strategic town centre site.

There may be potential opportunities for using Network Rail land and other adjoining land to facilitate early regeneration of this part of the town centre and to strengthen the role of the station as an important gateway.

Ideally this needs to be considered in the context of plans for the redevelopment of the former industrial site at Edward Street. The site is approximately 0.48 hectares in area and located on the corner of the Bromsgrove Road & Edwards Street. For the regeneration of the Edward Street area Local Plan No. 4 should be used to guide the redevelopment.

Local Plan No 4 Policy 31 States the Edward Street is appropriate for any Town Centre use.

In 2016 the owners of the site had been considering a residential scheme but were approached by a supermarket chain with the intention of developing a new store on the site but this option fell away due to the store operators finding a better option. The owners have cleared the site demolishing all of the buildings on the land including those that were locally listed. No redevelopment plans have as yet been submitted for approved for this site and the owners have, up until recently, been promoting the site as a car park. This activity has now ceased.

Network Rail do not have plans to redevelop the station which is currently leased to a train service operator. However, discussions with both Network Rail and West Midland Rail have revealed a willingness by all parties to explore opportunities for redevelopment of the Network Rail site as a means of securing investment in an improved station and related commercial facilities as part of a town centre regeneration initiative.

The section within the Redditch Town Centre Strategy Report (RTCSR), produced in 2009, relating to the train station states that in redeveloping the train station



area it is considered essential that the opportunity is captured to improve connectivity between the rail station, the bus station and onwards into the town centre. It is important to ensure that the public realm is of high quality, that it incorporates 'spaces' which improve navigability and leave a lasting impact on users. Redevelopment should also ensure the integration of active frontages, cafes and restaurants that can

complement a station area and support its integration with the town centre. This area should be seen as a 'gateway' to Redditch.

The initial image of Redditch as people arrive by train is currently poor with the undeveloped Edwards Street site on one side and the unattractive back side of the takeaway premises that front Unicorn Hill adjoining the train station car park on the other.

Further meetings will be held during 2018 between RBC, Network Rail and West Midland Rail in an attempt to bring forward improvements to this important gateway site.

VII. Funding & Delivery Options

1. Funding Sources

There is a range of potential funding options which can support the delivery of the town centre transformation and regeneration.

- Prudential borrowing
- Capital receipts from sale of surplus assets
- Revenue stream from retained and better used assets
- Revenue streams from occupiers of new hub
- Capital reserves from board member organisations
- Greater Birmingham and Solihull Local Enterprise Partnership bid
- One Public Estate (Phase 6)
- Joint ventures with other public and private sector organisations

One of the key factors in securing private sector ‘buy-in’ is to be able to de-risk projects and demonstrate stability. A local authority which shows a strong plan and leadership and is willing, if necessary, to use its powers of compulsory purchase to assemble land can do this.

Having made initial enquiries we are of the opinion that there are a number of developers/funders in the market for JV opportunities in the town, on the assumption of clear objectives and a positive message from the council, backed up by a robust masterplan.

Fundamentally, partners will need to consider the long term revenue impact of proposals and whether to use their public sector covenant to facilitate development (e.g. through a sale and leaseback or JV arrangement with a private developer), or to finance development by means of a combination of borrowing and reinvested capital receipts from asset disposals.

In collaboration with the Greater Birmingham and Solihull LEP, RBC has recently submitted a bid for LGF funding to assist in the unlocking of development opportunities and to transform the town centre through targeted intervention measures including infrastructure improvements, land assembly and where required gap funding for projects. This will enable redevelopment proposals to be brought forward in a planned and cohesive way to achieve the Council's vision for a revitalised town centre. 10% of the total £5,000,000 anticipated award (up to £500,000) can be drawn down in advance to assist with preliminary due diligence works such as site investigations, professional fees and feasibility studies.



2. Delivery Options

2.1 Prudential borrowing - Public Works Loan Board (PWLB)

The Board could elect to fund the project through prudential borrowing via Redditch Borough Council. The PWLB is a statutory body which issues loans to local authorities. Loans can be secured for up to 50 years, at rates around 2% to 2.5%¹.

In accordance with Regulations 27 and 28 in the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, this form of funding would require a Minimum Revenue Provision (MRP).

Redditch Borough Council would be required each year to set aside a proportion of its revenues as provision for debt. This provision relates directly to capital expenditure financed by borrowing. In accordance with Section 3 of the Local Government Act 2003, councils must determine and keep under review the amount they can afford to borrow. The capital expenditure must be justified and consider aspects of the expenditure to include service objectives, value for money, sustainability, affordability and practicality.

| Pros | Cons |
|---|---|
| <ul style="list-style-type: none"> • Low cost of borrowing. • Assets remain in public sector ownership and do not need to be transferred to third parties. • Repayment based on revenue, which can be supported by operational cost savings and further generated from rent, business rates, council tax, car parking charges etc. | <ul style="list-style-type: none"> • Long term repayment commitment predicated on future income projections. • Procurement of a contractor for a project as large as this may induce procurement complexities. • The council's ability to repay the loan is very sensitive to fluctuations in revenue streams. |

¹ Source: Department for Communities and Local Government: Capital Finance – Minimum Revenue Provision (2012)

2.2 LABV (Local Asset Backed Vehicle)

A Local Asset Backed Vehicle (LABV) is a mid to long term joint venture between one or more public sector bodies and a private sector partner and is particularly useful where there are a number of assets involved. The public sector bodies usually contribute the assets and the private sector partner provides the expertise and resource to deliver physical regeneration.

Depending on the objectives and the agreed form of business plan, investments can then be sold (to realise a capital receipt) or retained (to realise a revenue receipt) for both the public and private sector partners. As the parties are equal partners and contributing equal value to the joint venture, the returns to the partners are divided equally. This split can be subject to negotiation depending upon the resource contributed by each party.

This model saves on procurement costs and time by procuring a trusted partner and developing a partnership with them to deliver multiple sites over a specified period; the public sector potentially removes the need to separately procure similar projects during the term of the joint venture (depending on the terms of the original procurement). Benefits can also be realised from cross-subsidising where capital receipts from valuable sites are used to de-risk others.

| Pros | Cons |
|--|--|
| <ul style="list-style-type: none">• Freedom to negotiate terms and conditions between the parties.• Rationalisation of asset base.• Generation of income streams.• Service delivery transformation.• Delivery of economic and social values. | <ul style="list-style-type: none">• Failure to set clear objectives can reduce effectiveness of LABV.• Lack of transparency between partners reduces effectiveness.• Difference in governance arrangements between public and private partners can cause delays.• Complex model limits the private sector partners available. |

2.3 Income Strip

A more recent innovation used to deliver development is via the ‘income strip’ which is a form of sale and leaseback. There are a number of investors and annuity funds in the market targeting long term income from undoubted covenants such as government bodies and local councils and pay significantly improved yields to reflect their reduced risk.

If Redditch Borough Council were to leverage the strength of their covenant within the deal by taking an overriding long term lease, paying a rent lower than market level, and then sub-letting to an occupier at a higher rent it would enable delivery of required property/regeneration whilst generating an income for RBC. The development would effectively be forward funded via the sale of the RBC lease to the fund, potentially releasing a modest land value, with the option for RBC to purchase the freehold at the end of the term. This structure would necessitate entering into a partnership with a developer and a fund.

| Pros | Cons |
|---|--|
| <ul style="list-style-type: none"> • Opportunity to acquire the freehold interest at the end of the term. • Release of capital. • Rental level below market rate, enabling sub-lettings to generate income. • Fixed rent increases linked to RPI with potential for cap and collar adding a level of certainty. | <ul style="list-style-type: none"> • The structure of this model is inflexible. • Long term commitment to RPI which can fluctuate. • Rent is paid to a private sector entity. |

2.4 Development Agreements

On single sites in public sector ownership where there is a positive land value generated by the desired end use, a conditional contract or simple option/development (i.e. contractual) agreements can be used. Either the site is sold, potentially with an element of overage, or, once the scheme has been delivered profit is shared, usually with the developer taking a priority return. Site-specific Development Agreements are useful to establish co-operation between partners on issues like planning, finance, land acquisition, transport and the public realm.

| Pros | Cons |
|--|--|
| <ul style="list-style-type: none"> • Redevelopment process is handled entirely by the developer. • No relinquishment in interest from asset(s) involved, purely a share of profits and expenses from the project(s). • Partnership working can achieve benefits that would be absent if partners work in isolation. | <ul style="list-style-type: none"> • Procurement timescales can delay and add cost to the project. • A share of profits is lost to the developer. • The relationship between parties is governed by a document drawn up from the outset. • Disputes between parties during the life of the agreement can lead to litigation. |

3. Funding packages

The following funding resources could be combined to realise the individual real estate development projects.

3.1 Town Hall

| RBC as a sole investor | Involvement of a JV/LABV partner |
|--|--|
| <ul style="list-style-type: none"> RBC equity. Prudential borrowing up to the required total amount of investment. | <ul style="list-style-type: none"> Partners' equity up to the required total amount of development. RBC equity. Prudential borrowing for gap financing. |

3.2 Library

| WCC as a sole investor | Contributions |
|--|---|
| <ul style="list-style-type: none"> WCC equity. Prudential borrowing up to the required total amount of investment. | <ul style="list-style-type: none"> WCC equity. RBC's financial contribution. Partner organisations contributions. Prudential borrowing for gap financing. |

3.3 Redditch Police Station

The current police station is recommended for disposal. The below package is compiled for the development financing of a new police station either in a standalone building or as recommended in a joint blue light services facility

| WMP as a sole investor | Involvement of HWFRS as a partner |
|---|---|
| <ul style="list-style-type: none"> WMP equity. Prudential borrowing up to the required total amount of investment. Capital receipts from disposal of the existing police station). | <ul style="list-style-type: none"> WMP equity. HWFRS as co-investor in a sale and lease back structure. Prudential borrowing for gap financing. Capital receipts from disposal of the existing police station |

3.4 Fire Station

The new fire station will be developed on the land owned by WCC in Middlehouse Lane. There could be a land swap deal in a money-worth transaction.. Co-location with the police in a blue light services facility will result in more efficient building costs.

| HWFRS as a sole investor | Involvement of WMP as a partner |
|--|---|
| <ul style="list-style-type: none"> HWFRS equity. Prudential borrowing up to the required total amount of investment. | <ul style="list-style-type: none"> HWFRS equity. WMP as co-investor. Prudential borrowing for gap financing. |

3.5 Public Services Hub

The hub will require approximately £12m to construct, requiring a range of funding sources to be drawn upon.

| RBC as a sole investor | Involvement of other Public Sector Bodies |
|---|--|
| <ul style="list-style-type: none"> • RBC equity. • GBSLEP funding up to 10% only of funding for land acquisition if feasible. • Prudential borrowing up to the required total amount of investment or gap financing. | <ul style="list-style-type: none"> • Partners' equity up to the required total amount of development. • RBC equity. • Prudential borrowing for gap financing. • RBC capital receipts from disposal of surplus assets |
| Involvement of a JV/LABV partner | |
| <ul style="list-style-type: none"> • Partners' equity up to the required total amount of development. • RBC equity. • Prudential borrowing for gap financing. • Sale and lease back structure. | |

VIII. CONCLUSIONS & RECOMMENDATIONS

1. Conclusions

The initiative lies with the public sector to trigger a remodelling of the town centre with an innovative asset management strategy aimed at stemming the risk of economic decline and withdrawal of major investment from the town.

The proposals outlined in this report would provide significant service transformation benefits for the public sector in the town centre as well as stimulating wider regeneration. The Board need to consider if the capital investment required may be justified in terms of the following:

- Potential efficiency savings and reduced running costs
- Release of capital receipts from sale of surplus assets
- Creation of Gross Value Added for the town centre
- Safeguarding both existing and new private sector investment.
- Facilitating the transformation of public services and community “well-being”

These benefits would be fully maximised by pursuing the option of constructing a new public sector hub on the site of Smallwood House/HCA land . This is subject to the outcome of a detailed options appraisal for the future location of the LAPB.

It is vital that the transformation is led from a service delivery perspective, collating current and future requirements from partners and engraining this within the design and specification of the new building to enable future growth and flexibility.

The Risks

- The cohesion of stakeholders is essential. Without collaborative thinking, the regeneration of the town centre could take place at a much slower pace and on an ad-hoc and disjointed basis. This would not support the economic objectives of the town, and would fall short of maximising the opportunity to re-invigorate Redditch’s economy.
- The individual assets identified as being in scope of this project could be considered individual projects. Pursuing these assets as individual projects would result in a disparate regeneration exercise weakening the synergy.
- The financial modelling used for this project is very sensitive to changes in the assumptions used e.g. build costs, sales prices, rental levels, demand, occupancy levels etc.
- This project would require significant funding which results in the public sector being exposed to commercial lending terms and funding partners’ yield expectations.
- Maintaining status quo would not correspond with the OPE objectives resulting in an outdated building stock, poor connectivity in the town centre and excessive operating costs for public sector buildings.
- This project carries a reputational risk to all stakeholders. In the event that any aspect of this project falls short of the anticipated delivery timescales, funding and projected benefits this could adversely impact the anticipated success of the project and the Borough Council.
- Without sufficient marketing to boost the profile of this ground-breaking regeneration exercise, the local and national awareness of the projected

benefits will be limited. One of the key principles of marketing is “do something good and talk about it”.

- The existing infrastructure will require significant improvements to support the anticipated growth in the economy.

The Opportunities

- Collectively, the stakeholders hold significant influence over the shape of the town centre. Through working together, infrastructure improvements can be used to amplify the benefits of town centre regeneration by providing better connectivity to new and existing developments. In addition, the benefits of the OPE engagement will facilitate discussions at a higher level within central government, with the HCA for example.
- Despite the assets identified being potential individual projects, with a collaborative approach from stakeholders the full synergistic benefits can be realised.
- Through using soft market testing and engaging early with potential developer partners, more accurate figures could be applied to reduce uncertainty.
- A range of funding options are available on the market and long term commercial relationships can be established.
- With the realisation of this project, the main OPE objectives will be fulfilled and surplus assets can act as a funding source for the public sector.
- The stakeholders have the opportunity to develop a nationally recognised facility which is an exemplar of the OPE objectives and improves the way in which public sector services are delivered.

- With proper town marketing activity, supported by all partners, there will be a better image created for the town centre as a destination for business, leisure and residency.
- The growing opportunities within the town centre may support the need for infrastructure improvements. In addition, the GBSLEP monies can significantly support public realm improvements and connectivity within the town centre.
- Significant savings could potentially be achieved for the Borough Council, the County Council and West Mercia Police taking the recommendations of this report:

The other third party stakeholders have not provided running cost data for analysis.

- The recommended hub developments and conversions can be phased to avoid unnecessary further relocation costs. Once the new hub is developed, the tenants can relocate into that and value-add projects in the vacated assets can be started.

2. Recommendations

2.1 Individual asset recommendations

2.1.1 Redditch Town Hall

The Town Hall should be retained, converted into residential units (78) and sold within a period of 3 years.

A range of lower yielding refurbishment options including office and hotel have been modelled in addition to demolition and re-build options for both residential and mixed use.

Increased town centre residential provision would not only generate an income for Redditch Borough Council but also increase use of local facilities such as the multi storey car parks, restaurants, retail shops and bars. This increase in footfall and spending in the local economy has the potential to draw new business and investment, into the town centre.

2.1.2 Redditch Library

Worcestershire County Council could contribute towards the success of the project through transferring the asset into Redditch Borough Council's ownership. This would facilitate demolition of the building in order to allow creation of an improved piazza-type public realm area. The intended investment would create an area where people can stop, relax and socialise, as well as hosting a variety of events. The square could be further enhanced by the addition of a canopy stage, as well as with nearby retail outlet developments and the opening up of the pedestrian access between the Kingfisher Centre and the Church Green area as part of the redevelopment works.

In exchange for contributing the Library, the County Council will hold an interest in the new hub therefore the transfer of the asset and the demolition of the building would be the last step of the project.

2.1.3 Redditch Police Station

The existing police station is outdated therefore the recommended option is to relocate. The decision to either co-locate with the fire & rescue service or construct a standalone LAPB adjacent to the public sector hub lies with the decision makers of the respective authorities. It is also recommended that the current LAPB building is redeveloped into either residential or commercial retail use. At this stage there has not been any retail occupier enquiry for the site and strategic consideration is required for a postponed and phased residential redevelopment to avoid oversupply in town centre residential stock. Therefore the site should remain in Local Authority control.

2.1.4 Redditch Fire Station

Both Worcestershire County Council and Redditch Borough Council should cooperate with Hereford and Worcester Fire & Rescue Service to facilitate construction of a new fire station.

2.1.5 Public Sector Hub

The steps to consider in delivering a public sector hub are as follows:

- a) Secure acquisition of Smallwood House and HCA land through option agreements with the NHS and the HCA.
- b) Appoint a strategic delivery partner.
- c) Appoint architects to develop spatial schemes for further discussion by the Board. If achievable in planning terms try to exclude the retention of

Smallwood House to avoid incremental construction costs hence risk the economic viability.

- d) Undertake pre-construction due diligence to include legal title checks and site investigations (desktop and intrusive).
- e) Decision needs to be made as to whether the public sector hub should be located as part of and linked with the back office functions within the Smallwood House site or, although not recommended, as a separate entity located within the former covered market area.

2.2 Funding and Delivery Options

It is recommended that stakeholders explore all funding and delivery options identified in this report to support delivery of the project.

In order to successfully deliver the proposed regeneration, it is recommended that a joint venture between the public and private sector is pursued. The current market values in Redditch render projects unviable by the public sector alone. This is substantiated in our financial feasibility analyses.

Where necessary, additional land assembly for key town centre regeneration sites can be facilitated by Redditch Borough Council through its Compulsory Purchase powers under S.225 of the Town and Country Planning Act 1990. This empowers the local authority to acquire land compulsorily to facilitate regeneration or to achieve the proper planning of an area.

Any disposal of local authority land and property must comply with the provisions of Section 123 of the Local Government Act 1972. This can mean best value in monetary terms but assets can also be sold at less than best consideration in the event the sale achieves wider economic, social or environmental objectives.

Next steps

- The Board is requested to endorse the overall approach as recommended in this Place Review.
- For all stakeholders with a land/property interest in the project to seek approval from their respective governance structures to proceed with the project.
- An option agreement on both Smallwood House and the HCA land needs to be secured as this is the preferred site for the new hub.
- There needs to be a lead authority for this project which deals with land and property acquisition, this is recommended to be Redditch Borough Council.
- Engagement with a suitable strategic delivery partner to work alongside Place Partnership to deliver the scheme and develop a timetable for rollout.
- Preferred funding and delivery methods need to be selected.
- A decision from West Mercia Police is required as to whether they require a base adjoining the hub or the fire station on Middlehouse Lane to enable appropriate space planning of the sites to take place.
- Detailed studies of the titles to all land and property involved in this project need to be undertaken.
- Instruction needs to be provided to an architect to draw up some schematic designs for the new hub site.
- Engagement with the freehold owner of the bus engineering depot owner to discuss possibilities of relocating the facility.

ACKNOWLEDGEMENTS

We would like to acknowledge the work undertaken to produce the vision for Redditch Town Centre.

Redditch Borough Council

Kevin Dicks
Jayne Pickering
Ruth Bamford
Emma Newfield
Alison Grimmett

Worcestershire County Council

Nigel Hudson

West Mercia Police

Richard Elkin

Hereford and Worcester Fire and Rescue Service

Nigel Snape

Worcestershire Health & Care NHS Trust

Mark Fenton

Homes and Communities Agency

David Charmbury

North Worcestershire Economic Development and Regeneration (North Worcs)

Dean Piper
Jon Elmer

Kingfisher Shopping Centre

Ken Williams

Network Rail and London Midland

Collette Brown-Bolton
Robert Hornsey

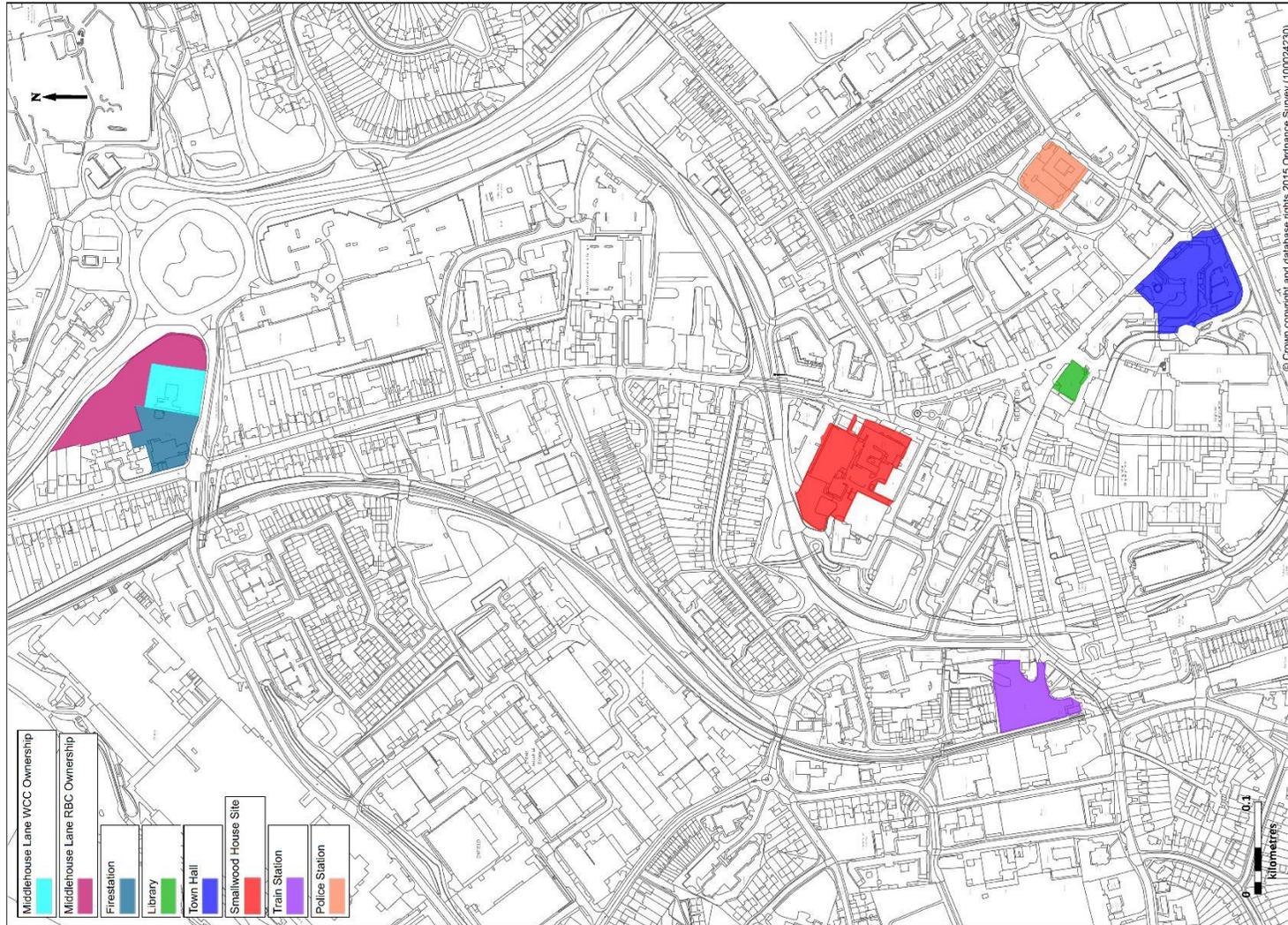
Heart of Worcestershire College

Stuart Laverick

St. Stephen's Church

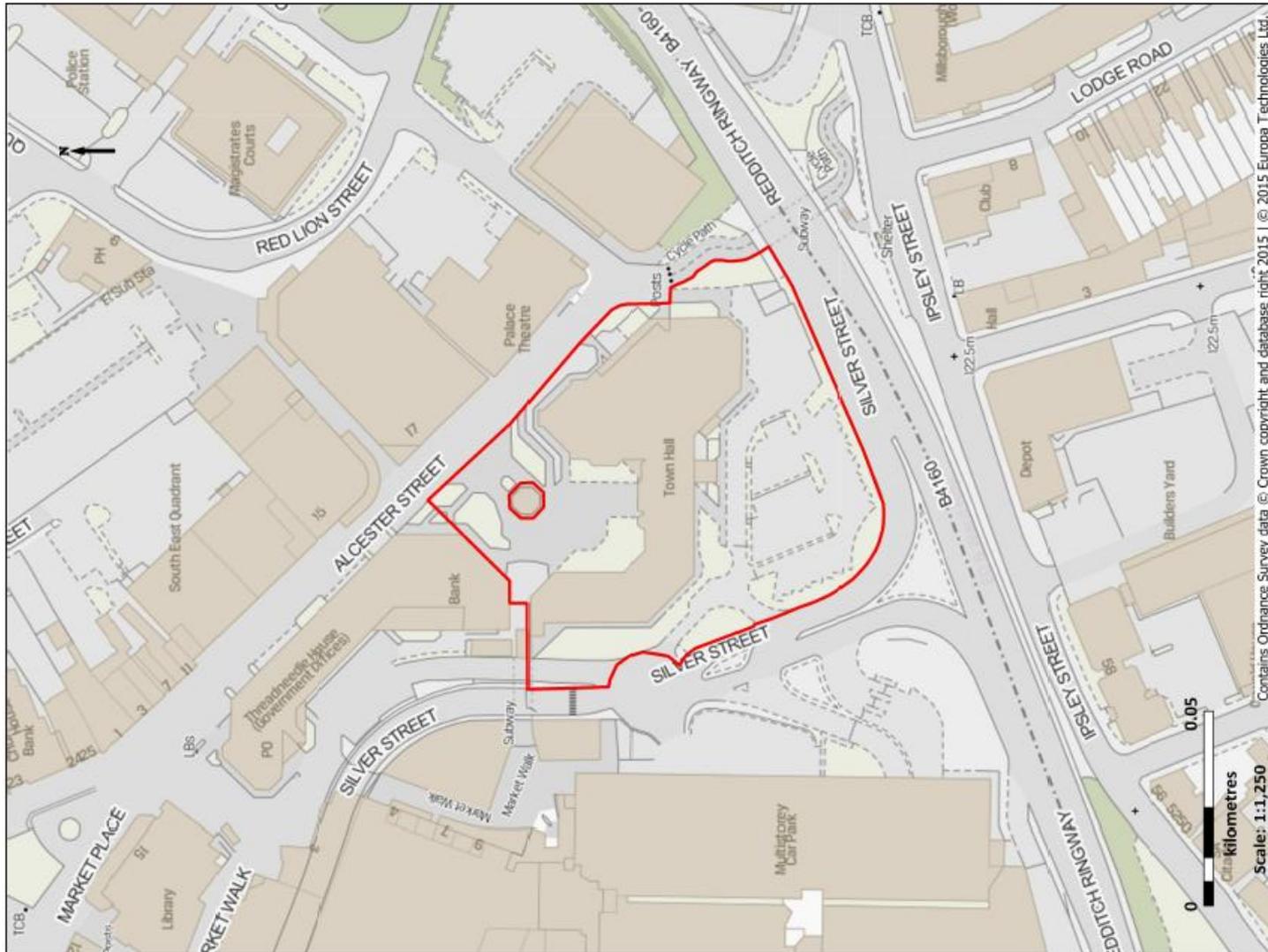
Reverend Paul Lawler

APPENDIX 1 – Map and Schedule of Assets



APPENDIX 2 – Site Plans

2.1 Town Hall

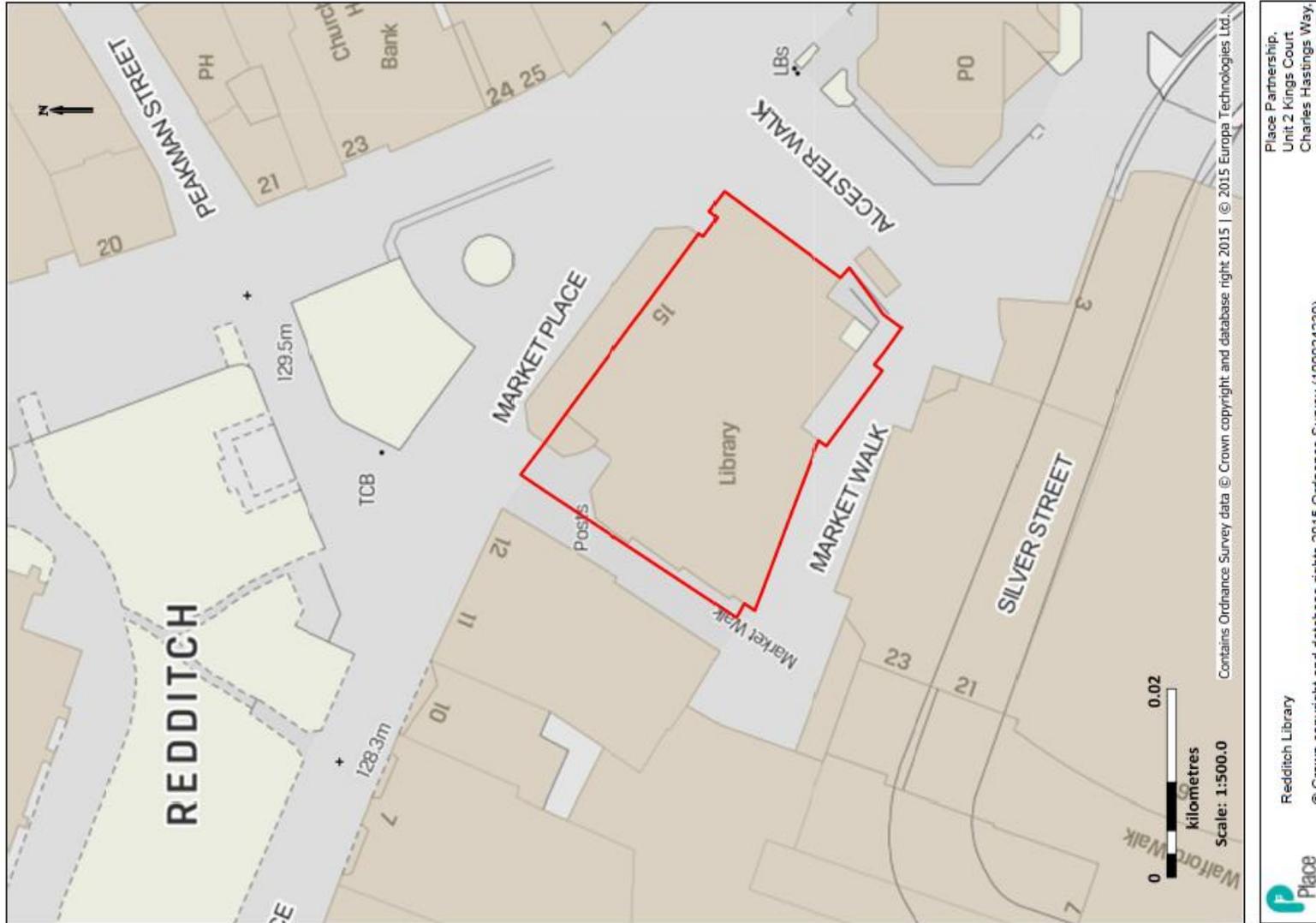


Place Partnership.
Unit 2 Kings Court
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Redditch Town Hall
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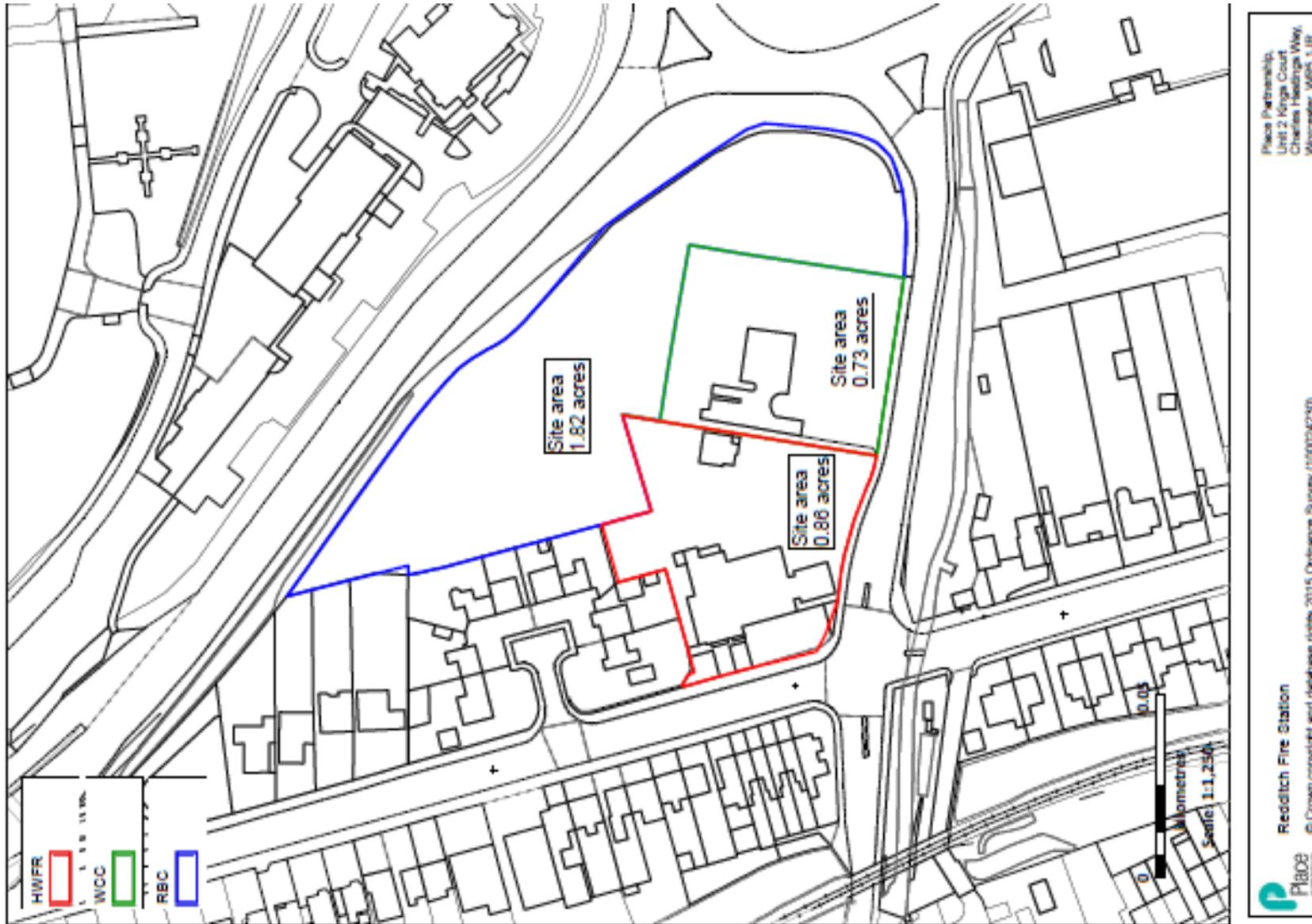
2.2 Library



2.3 West Mercia Police



2.4 Middlehouse Lane – H&WFRS, WCC and RBC land



2.5 Church Green West sites

