



# Executive Committee

Church Hill

18<sup>th</sup> November 2009

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## CHURCH HILL DISTRICT CENTRE – REDEVELOPMENT UPDATE

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(Report of the Head of Legal, Democratic and Property Services)

### 1. Summary of Proposals

To inform Members of the progress of this scheme to date and to request funding to enable the completion of the market testing process.

### 2. Recommendations

The Committee is asked to RESOLVE that

1) progress on the scheme be noted; and

to RECOMMEND that

2) additional revenue funding of £2,360 be approved to progress the scheme for the year 2009/10 up to and including reporting on the outcomes of the market testing exercise.

### 3. Financial, Legal, Policy, Risk and Sustainability Implications

#### Financial

3.1 To enable the outcomes of the market testing to be reported to Members, there is a need for further funding of £2360 for 2009/10 to cover staffing costs.

#### Legal

3.2 The Council is required to dispose of any interest in land including leases for the best consideration possible under Section 123 of the Local Government Act 1972.

#### Policy

3.3 The current policy of this Council is to work up a scheme that achieves total redevelopment of the Church Hill District Centre as approved by the Council in December 2006.

## Risk

- 3.4 There are a number of risks associated with this scheme if it cannot be made financially attractive to developers. However if marketing the scheme shows that it is not currently viable, then the Council can always defer the project at that stage to avoid any additional spending.

## Sustainability / Environmental

- 3.5 No sustainability / environmental implications have been identified.

## Report

### **4. Background**

- 4.1 Following approval of the policy to pursue redevelopment, considerable public consultation took place and this culminated in the production of a Supplementary Planning Document which forms the policy basis for redevelopment of the Centre.
- 4.2 Following the decision of the Executive Committee on 12th August 2009 to proceed with the market testing on the viability of the redevelopment scheme, Officers consulted with the Council's Procurement Adviser and Head of Legal, Democratic and Property Services. It was determined that to ensure that the Council avoided any risk of challenge on the procurement process to redevelop Church Hill should be advertised in the Official Journal of the European Union (OJEU). This is the publication in which all contracts from the public sector which are valued above a certain financial threshold according to EU legislation must be published.
- 4.3 The Church Hill Centre Members Panel met on 9th September 2009 and agreed the above marketing proposal to replace the earlier suggestion of an industry day. It should be noted that if the scheme does proceed to stage 2, then there will be an opportunity at a later date to discuss the merits of any developers individual scheme with these developers that have successfully completed stage 1 (i.e. the PQQ).

### **5. Key Issues**

- 5.1 The OJEU notice was placed on 12th October with the requirement that developers wishing to express an interest must complete a Pre Qualification Questionnaire (PQQ) to be returned to the Council by Noon on 18th November 2009. Additional marketing also then commenced on 17th October 2009, with the same requirement to return the PQQ on the same day.

- 5.2 Because of the timing of the OJEU notice return date, it will not be possible to include within this report an indication of the response. It is therefore proposed that an oral update will be given by Officers at the meeting on 18<sup>th</sup> November 2009, giving the number of PQQ's completed and returned by 18<sup>th</sup> November 2009. The full report on the suitability of the developers submitting PQQS for this project will then be presented to Council on 7<sup>th</sup> December 2009 when Council will be asked if it wishes to proceed to the next stage. The report will also set out the financial implications of proceeding with the project.
- 5.3 A further meeting of the Church Hill Centre Member Panel will be held between 18<sup>th</sup> November and 7<sup>th</sup> December 2009.

## 6. Other Implications

- Asset Management - The redevelopment is in accordance with the current Asset Management Plan and was appraised using good asset management practice guidelines.
- Community Safety - The redevelopment scheme will seek to reduce anti-social behaviour, and be built in accordance with the principle of 'Secure by Design'.
- Human Resources - Continued staff time on this project with revenue consequences, with additional Officer time required in Legal Services.
- Social Exclusion - The proposal will encourage social inclusion, public participation and consultation has also achieved this.

## 7. Lessons Learnt

Marketing of the scheme has been delayed due to financial and property market fluctuations. These are outside the control of the Council, and could not, therefore have been predicted.

## 8. Background Papers

Papers held within Property Services, some of which are exempt (confidential).

## 9. Consultation

There has been consultation with relevant Officers in the preparation of this report.

**10. Author of Report**

Any queries in respect of this report should be directed to Rob Kindon (Property Services Manager), who can be contacted on extension 3303 (e-mail: [rob.kindon@redditchbc.gov.uk](mailto:rob.kindon@redditchbc.gov.uk) ) for more information.

**11. Appendices**

None.