

**REDDITCH TOWN CENTRE REGENERATION**

**OPEN**

Relevant Portfolio Holder	Cllr David Bush – Deputy Leader and Portfolio Holder for Economic Development, Town Centre and Commercialism
Portfolio Holder Consulted	√
Relevant Head of Service	Kevin Dicks, Chief Executive
Ward(s) Affected	Central & Abbey Ward
Ward Councillor(s) Consulted	
Key Decision / Non-Key Decision	Key decision

**1. SUMMARY OF REPORT**

- 1.1 This report provides an updated position in relation to the regeneration of Redditch Town Centre, and outlines the work proposed to be undertaken during the next 12 months.

**2. RECOMMENDATION(S)**

**The Executive Committee RECOMMENDS that:**

- 1) The Council provides in principle support for the creation of a new purpose built multi-agency Public Services Hub, with a final decision to be taken by the Executive Committee following:
  - a) The production of a detailed business case setting out the strategic, economic, commercial, financial and management case;
  - b) Identification of potential location options for the Hub and a recommended preferred site for the Hub;
  - c) Negotiations with partner organisations regarding their commitment to transferring services to the Public Services Hub.

**Subject to the approval of recommendation 1 above the Executive Committee RESOLVES that:**

- 1) Delegated authority is given to the Chief Executive to procure external specialist support to develop the business case as detailed at paragraphs 3.3 - 3.4, utilising the £150,000 already agreed by Council, after consultation with the Portfolio Holder for Economic Development, Town Centre and Commercialism.

- 2) To progress proposals outlined in the Redditch Regeneration Prospectus, with the initial focus on commissioning specialist support to produce a new vision and masterplan for the Railway Station Quarter and undertake feasibility work for the Library site, utilising the £50,000 already agreed by Council and that delegated authority is given to the Chief Executive to procure this support, after consultation with the Deputy Leader and Portfolio Holder for Economic Development, Town Centre and Commercialism.

### **3. KEY ISSUES**

#### **Financial Implications**

- 3.1 As detailed in the report to the Executive Committee in March, the Place Review process has identified the potential financial implications for the Council and partners of working within a Public Services Hub.
- 3.2 According to indicative figures it is estimated that the Council and its partners could achieve efficiency savings by co-locating in a Hub.
- 3.3 To take forward the development of the business case for the Public Services Hub, a sum of £150,000 has been approved by the Council to be funded by balances. Furthermore, £50,000 has been approved to progress other regeneration proposals for the town centre. The Council will continue to seek funding contributions from other public sector partners including Worcestershire County Council, Local Enterprise Partnerships and the West Midlands Combined Authority.
- 3.4 The business case will include a full detailed cost appraisal together with estimates of future efficiency savings that can be realised by partners. The capital funding required to deliver the proposed scheme will be presented to Council for approval.

#### **Legal Implications**

- 3.5 There are a number of proposals in the Regeneration Prospectus that relate to land which is largely outside of the Council's ownership and control. Although there may be at the current time an agreement in principle with other public authorities to work together to achieve the objectives, the priorities of other authorities may change and there is no legal commitment for any other parties to commit land in their ownership to the objectives (at any or at an agreed price).
- 3.6 The Council has powers to purchase interests in land from reluctant (public or private sector) landowners compulsorily. Compulsory purchase powers are only available to the Council for a set range of purposes and may only be used if necessary for the delivery of a fully funded and deliverable scheme (which fits within one of the purposes). Even if such a scheme were in place, before

purchasing compulsorily the Council would be required to demonstrate that the objectives of the scheme could not be achieved in any other way and that the benefit to the public interest outweighed the interference with private property rights. The threshold for justification of compulsory purchase is high as interference with property rights represents an infringement of human rights.

- 3.7 If compulsory purchase is necessary the process may take several years to complete and with the potential for protracted negotiations with landowners and a public inquiry, the costs would not be insignificant. Landowners may expect to sell their property by agreement at an inflated price so as to “save” on the costs of compulsory purchase. Landowners whose property is purchased compulsorily may be entitled to compensation above and beyond the value of the land itself.
- 3.8 The proposed developments / redevelopments would be subject to planning consent. The Council as the local planning authority would have to deal with all planning applications strictly on their planning merits.

### **Service / Operational Implications**

#### **Background**

- 3.9 In March 2018, the Executive Committee received a number of proposals contained within a Regeneration Prospectus relating to Redditch Town Centre. Furthermore, the outcome of the One Public Estate review (produced by Place Partnership) for Redditch Town Centre was reported to the Executive Committee, with the key recommendation that the Council should seek to work with partners to develop a multi-agency Public Services Hub. It was agreed by the Executive Committee in March, that the development of the Hub should be subject to the development and finalisation of a detailed business case, to be completed by January 2019.

#### **Current position**

- 3.10 Whilst the regeneration of Redditch Town Centre is central to these proposals, and the establishment of a Council-led Public Services Hub, a site at Church Road is no longer considered an appropriate location for it. This is due to the high cost of a new building on that site and the lack of evidence from Place Partnership that a Business Quarter could be developed on the back of a Public Services Hub. The evidence suggests that the office market in Redditch is currently weak; therefore it is now considered that it is speculative to suggest that new offices could be attracted into the town centre due to the construction of a new municipal building and the risk attaching to this proposal is too high. The alternative is for the Council to work with the NHS and Homes England to identify other viable options for the Church Road site. Any assessment of the future of the site will need to take account of viability and aspirations of the land owners.

- 3.11 This report seeks approval for officers to explore the feasibility of the Town Hall acting as the site for the Public Services Hub and to examine the potential for a refurbished building to host other public service partners and other commercial uses at ground floor level. This proposal will be considered against other potential options, depending on the availability of suitable buildings and/or sites, with a view to maintaining activity, footfall and spend within the environs of the existing Town Hall and to ensure that new development complements and strengthens other key assets in that area such as the Palace Theatre.
- 3.12 It is proposed that the Council progresses the detailed business case for the Public Services Hub and will commission external support to identify site options, partner requirements, funding and delivery options and benefits for the scheme. This will include an assessment of economic, financial and social benefits. The Council will ensure that the public is consulted before any final decision on location is made.
- 3.13 A number of the ideas and concepts contained within the Regeneration Prospectus will continue to be supported and promoted by the Council; these include:
- **Library site** – working with Worcestershire County Council to examine options for the future re-development of this site, including the idea to re-create this area as a new ‘public square/piazza’ with an improved entrance into the Kingfisher Shopping Centre;
  - **Railway Quarter** – visioning and masterplanning exercise to identify re-development opportunities, enhancement and upgrade of the Railway Station, improved public realm and connectivity into the town centre;
  - **Learning Quarter (Heart of Worcestershire College)** – strengthening and reinforcing the role of Heart of Worcestershire College in supporting the town’s economy and developing the Borough’s workforce;
  - **Retail Hub (Kingfisher Shopping Centre)** – working with the owners of the Centre to invest and further develop the offer by bringing exciting new occupiers into the town;
  - **Public realm and connectivity** - the vision remains to create a high quality town centre environment and a sense of place. Development of new and improved public / community spaces, improved pedestrian links and signage and street furniture are at the heart of this vision. In particular, there is a need for improved connectivity between areas outside of the Ring Road and the Town Centre and the Council will work with Worcestershire County Council to commission a feasibility study to look at options to improve the Ring Road.

- **Blue Light Hub** - the Council will continue to work with Fire and Police to develop a joint Blue Light Hub facility and ensure that the existing sites are re-developed to support the regeneration of the town centre.

3.14 The Council will continue to identify potential external funding opportunities to support the regeneration proposals and in particular will make progress in submitting an application for £5m of funding to the Greater Birmingham & Solihull Local Enterprise Partnership (GBSLEP) to support the re-development of key sites i.e. site acquisition, land assembly, demolition and clearance and public realm works. The Council will also look to potential funding opportunities offered by Worcestershire LEP and the West Midlands Combined Authority (WMCA).

3.15 Key work to be taken forward over the next 12 months is as follows:

- Procure external support to support the development of a detailed business case for the proposed Public Services Hub – the business case to be developed by February 2019;
- Work with partners such as West Midlands Rail and Worcestershire County Council, to commission a masterplanning exercise for the Railway Quarter to identify a new vision, re-development opportunities and funding/delivery strategy within that area;
- Undertake feasibility work for the Library site to identify potential development options and designs for a new public square/piazza;
- Work with Worcestershire County Council to commission a feasibility study to identify the potential to re-design the Ring Road to improve access and movement around the town and work towards developing the next phase of Public Realm enhancements;
- Progress the outline business case to the (GBSLEP) to secure the £5m of capital funding to support the Council's regeneration plans.

3.16 The regeneration programme will be overseen by the 'Redditch Town Centre Regeneration Board' led by the Chief Executive and the Deputy Leader and Portfolio Holder for Economic Development, Town Centre and Commercialism and comprised of key strategic partners. The Regeneration Board will be responsible for driving forward delivery of the overall regeneration programme including the development of business cases for projects.

3.17 In summary, the Council remains committed to delivering an ambitious and credible regeneration programme which will create an exciting new future for Redditch and crucially unlock significant levels of public and private sector investment and unlock the potential of Redditch Town Centre.

**Customer / Equalities and Diversity Implications**

- 3.18 The project has identified that there is an opportunity to create a Public Services Hub within the town that will accommodate the Council and a number of public service partners.
- 3.19 A detailed assessment will need to be framed around the impact of change on the Council's service users and staff when the Hub is occupied. It is expected that wider consultation with the public / service users will be sought by the Council and its service partners. This will allow people to offer opinions and voice any concerns at the appropriate stage.

**4. RISK MANAGEMENT**

- 4.1 A detailed 'Risk Log' will need to be produced as part of the detailed business case. However an initial risk register has been produced as follows:

<b>RISK REGISTER</b>	<b>Impact (H/M/L)</b>	<b>Likelihood (H/M/L)</b>	<b>Risk Rating (R/A/G)</b>	<b>Risk Mitigation</b>
Lack of stakeholder buy in and support	H	M	A	Continue to work closely with key stakeholders and ensure collaborative thinking is at the heart of decision making. Each partner to be invited to sit on the Regeneration Board.
Each land owner disposes of land assets individually rather than as part of a cohesive regeneration programme	H	L	A	As above.
Financial risks associated with proposed investment	H	L	A	Full business case will include detailed assessment of financial inputs i.e. build costs, sales prices, rental levels, demand, occupancy levels. No financial decisions will be made without a robust business case.
Reputational risk to Council and partners	M	M	A	Strong project management controls will be put into place to ensure that projects deliver on time and to budget. Additional resource to be procured to supplement project capacity.
Inability to secure funding and investment	H	M	A	The Council has provisionally secured funding from GBSLEP to help unlock some of the regeneration proposals.

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				The Council will also seek funding from Worcestershire LEP and the Combined Authority. It is anticipated that investment from the public sector will create the confidence for the private sector to invest in Redditch Town Centre.
Negative perception and image of Redditch	H	M	<b>A</b>	As part of the regeneration programme, the Council will work with key partners such as the Kingfisher Shopping Centre to look at how it can re-position Redditch and counter negative perceptions.
Market does not respond to the Council's vision	H	M	<b>A</b>	Further market analysis will be commissioned to underpin the development of business cases for key projects including an assessment of demand for office uses, the residential market and retail and leisure opportunities.

**5. APPENDICES**

None

**6. BACKGROUND PAPERS**

- Redditch Town Centre Regeneration and outcome of the One Public Estate exercise – report to Executive Committee – March 2018
- Redditch Regeneration Prospectus
- Redditch Place Review Report produced by Place Partnership Ltd
- Redditch Economic Priorities and Action Plan – report to Executive Committee – February 2018
- Redditch Town Centre Strategy (Arup) – published in September 2009
- Borough of Redditch Local Plan No. 4 – adopted 30<sup>th</sup> January 2017 (refer to Policies 30 to 33)

**AUTHOR OF REPORT**

Name: Dean Piper

Title: Head of Economic Development & Regeneration – North Worcestershire

email: dean.piper@nwedr.org.uk

Tel.: (01562) 732192