

REDDITCH BOROUGH COUNCIL

**EXECUTIVE
COMMITTEE**

8th September 2010

CHURCH HILL DISTRICT CENTRE – REDEVELOPMENT REPORT

Relevant Portfolio Holders	Cllr Brandon Clayton and Mike Braley
Relevant Head of Service	Teresa Kristunas
Key Decision / Non-Key Decision	
The Appendix to this report contains exempt information as defined in Paragraph(s) 100 of Part I of Schedule 12A to the Local Government Act 1972, as amended	

1. SUMMARY OF PROPOSALS

The report informs Members of the outcome of further discussions with the prospective developer and their best offer as instructed following the decision of the Executive on 16th June 2010. Members are asked to make a decision on whether to proceed or not with the redevelopment.

2. RECOMMENDATIONS

The Committee is asked to RESOLVE that

- 1) The developers' revised scheme as shown in confidential Appendix A , para 5.2 , be either**
 - A) Accepted and LSP Development are appointed as "preferred partner", OR**
 - B) the developer be advised that the scheme has been rejected, at the present time.**

- 2) If accepted then the financial implications are to be met by the Council and budgets be adjusted accordingly as detailed in Appendix A (subject to exact costs with the YMCA being reported further)**

- 3) The sports hall aspirations at the Community centre be either**
 - A) Funded as detailed in Appendix A, OR**
 - B) Abandoned.**

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3. BACKGROUND

- 3.1 Following a review of all District Centres, the Council choose Church Hill as the first centre to redevelop. The project principal was that the scheme would "break even".
- 3.2 The Council commenced the project by firstly consulting the public and then issuing a "Supplemental Planning Document" for Church Hill, and then embarked upon the appointment of consultants and the EU procurement exercise.

4. KEY ISSUES

The Committee is asked to decide if the Council can proceed with this scheme or not at the present time.

5. FINANCIAL IMPLICATIONS

There are financial implications arising from this report, as detailed in Appendix A.

6. LEGAL IMPLICATIONS

- 6.1 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.
- 6.2 Appendix A to this report are exempt in accordance with S.100 I of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006, as they contain information relating to the business affairs of the Council's tenants and the tender proposals confidential to the Council and developer. For the Council to reveal information at this stage may affect the Council's bargaining position whilst very detailed contracts are being considered. It is therefore felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

7. POLICY IMPLICATIONS

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

8. COUNCIL OBJECTIVES

To regenerate Church Hill Centre by the demolition of the existing centre and rebuilding a centre fit for the 21st Century, with additional housing. The added benefit hopefully be a reduction in crime and anti social behaviour.

9. RISK MANAGEMENT INCLUDING HEALTH & SAFETY CONSIDERATIONS

- 9.1 There are a number of risks associated with this scheme. Following marketing of the scheme the reduced developer interest shows that in the current financial conditions it is difficult to deliver this type of total redevelopment without Council financial support. However having raised residents expectations and Councils aspirations not now to proceed may produce some adverse publicity. The Council can however still withdraw from current proposal and remarket the opportunity at a later date.

10. CUSTOMER IMPLICATIONS

Improved new centre and updated shops with other facilities.

11. EQUALITIES AND DIVERSITY IMPLICATIONS

New building designs will reflect equality and access issues as required by current Planning Acts & Building Regulations.

12. VALUE FOR MONEY IMPLICATIONS, PROCUREMENT AND ASSET MANAGEMENT

The redevelopment principal is in accordance with the current Asset Management Plan, the project has been procured using the competitive process in accordance with the Restricted Procedure under the Consolidated Public Procurement Directives 2004/18/EC, as implemented by The Public Services Contracts Regulations 1993 and The Public Services Contracts Regulations under the EU procurement regulations.

13. CLIMATE CHANGE, CARBON IMPLICATIONS AND BIODIVERSITY

These issues will be addressed at detailed planning permission stage, but with reference to the current policy document "Supplementary Planning Document – Church Hill Centre, Development Brief".

14. HUMAN RESOURCES IMPLICATIONS

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Continued staff time on this project with revenue consequences, with additional Officer time and consultants for Property and Legal Services.

15. GOVERNANCE/PERFORMANCE MANAGEMENT IMPLICATIONS

None stated.

16. COMMUNITY SAFETY IMPLICATIONS INCLUDING SECTION 17 OF CRIME AND DISORDER ACT 1998

16.1 Under section 17 of the Crime & Disorder Act 1998, the Council is under a duty to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area.

16.2 The redevelopment of Church Hill will help to address incidents of anti-social behaviour incidents in this location by designing out crime hot spots. The principles of "Secure by Design" will be addressed in the detailed planning stage.

17. HEALTH INEQUALITIES IMPLICATIONS

The project may include a new medical centre. The project will include a replacement chemist shop and dental facilities with improved services for the public.

18. LESSONS LEARNT

At the outset of this project the financial appraisal was quite different, the delayed marketing decision was correctly taken and did result in developer interest but still there is no substitute in testing the viability other than marketing. Such costs to test the market and progress legal agreements are unavoidable. The extra delivery time to test the market is justifiable, but greater certainty could have been created at the outset if a Compulsory Purchase Order had been used, although the costs may have been greater and resulted in a "Blight" of the centre.

19. COMMUNITY AND STAKEHOLDER ENGAGEMENT

There has been extensive consultation in the initial stages in 2007 with area leafleting and public meetings. Existing tenants have been engaged

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and relocation terms been renegotiated. In 2010 the tender submissions were on public display for comments. The Primary Care Trust and local doctors practice has been consulted.

20. OTHERS CONSULTED ON THE REPORT

Portfolio Holders	√
Chief Executive	√
Executive Director (S151 Officer)	√
Executive Director – Leisure, Cultural, Environmental and Community Services	√
Executive Director – Planning & Regeneration, Regulatory and Housing Services	√
Director of Policy, Performance and Partnerships	√

There has been consultation with relevant Officers in the preparation of this report, and the Church Hill Member Panel which met recently on 13th April and 25th May 2010. A further recent meeting on the 24th August 2010, to ensure that the Panel views are incorporated into report.

21. WARDS AFFECTED

Church Hill.

22. APPENDICES

Appendix A – Results of developer's final offer.

(Appendices A to this report are exempt in accordance with S. 100 I of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006, as they contain information relating to the business affairs of the Council's tenants, disclosure of which is not considered to be in the public's best interests).

23. BACKGROUND PAPERS

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

24. KEY

The project one of the Councils Corporate Priorities and hence a key
decision is required

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