

Wichelstowe District Centre

Cabinet

Date: 7th September 2016

Author: Cabinet Member for Strategic Planning
Corporate Director Resources

Wards: Wroughton and Wichelstowe, Old Town

Locality Affected: South

Parishes Affected: Wroughton

1. Purpose and Reasons

- 1.1 This report seeks approval to progress design work in relation to the Wichelstowe District Centre in order to support early delivery in advance of the establishment of the Joint Venture with BDW Trading Ltd (BDW).
- 1.2 The Council has received significant interest in the District Centre site from pub/restaurant operators, providers of housing for older people and other retailers. The Diocese of Bristol have also been successful in securing funding from the Education Funding Agency (EFA) for the delivery of a free school and design work has commenced on this school to support an opening in September 2018. In order to realise these development opportunities additional infrastructure needs to be delivered by the Council to provide access to the development parcels.
- 1.3 Wichelstowe is one of the Council's strategic programmes. The completed development will contribute towards the Council's Vision in particular the ambition to be a model of well-managed housing growth that supports and improves new and existing communities. It refers specifically to pledge 14 – "with Barratt Homes we will build up to 3,500 homes in Wichelstowe..."

2. Recommendations

Cabinet is recommended to:

- 2.1 In advance of the establishment of the Joint Venture with BDW Trading Ltd for in excess of 3500 homes, authorise the Corporate Director Resources in consultation with the Cabinet Member for Strategic Planning to progress the delivery of the Wichelstowe District Centre area (as shown on the District Centre Area Plan included as an Appendix) including schools, pub/restaurant, housing for older people and residential development.
- 2.2 Approve the budget of up to £750,000 as set out in paragraphs 3.7 - 3.9 in order to support design and team costs and note that this will be recovered by the capital receipts from the District Centre development.
- 2.3 Authorise the Corporate Director Resources in consultation with the Cabinet Member for Strategic Planning to undertake a competition and select an operator to develop the parcels identified for older people's housing. Authorise the Director

Further information on the subject of this report can be obtained from Rob Powe, Direct Dial Telephone Number 3305, rpowe@swindon.gov.uk.

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- of Law and Democratic Services in consultation with the Cabinet Member for Strategic Planning and the Corporate Director Resources to complete the land sale and any associated documentation with the selected older people's operator on such terms as he considers necessary to protect the Council's interests.
- 2.4 Authorise the Corporate Director Resources in consultation with the Cabinet Member for Strategic Planning to develop detailed plans for the parcels identified for residential development within the Wichelstowe District Centre area.
- 2.5 Authorise the Director of Law and Democratic Services in consultation with the Cabinet Member for Strategic Planning and the Corporate Director Resources to complete the land sale and any associated documentation with the pub/restaurant operator on such terms as he considers necessary to protect the Council's interests.
- 2.6 Authorise the Director of Law and Democratic Services in consultation with the Cabinet Member for Strategic Planning, the Cabinet Member for Children's Services and the Wichelstowe Programme Manager to dispose by way of the necessary leases and any associated documentation the land required for the delivery of the Primary and Secondary schools within the Wichelstowe District Centre area on such terms as he considers necessary to protect the Council's interests.
- 3. Detail**
- 3.1 In June 2015 BDW Trading Ltd were appointed as the preferred bidder to form a Joint Venture with the Council to deliver the Wichelstowe development (Cabinet Minute 5, 2015/16 refers). The legal agreements and business case have taken significantly longer to complete than anticipated and the current market uncertainty has contributed further to the delays. It is therefore proposed that whilst the Joint Venture procurement process continues, the Council progresses development in relation to the District Centre phase itself.
- 3.2 One of the key drivers for progressing this work is the successful delivery of the secondary school. The school design process is well underway and a planning application is programmed to be submitted later this year. The Council is however responsible for submitting the detailed design codes and designing the roads providing access to the site in advance.
- 3.3 The roads that serve the school will also provide access to the development parcels allocated for older people's housing. Strong interest has been received in relation to the private element and grant funding has been secured from central government to support the affordable element. The grant funding is time limited to March 2018 and the Homes and Communities Agency (HCA) require certainty that this will be delivered.
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- 3.4 A competition has also been completed in relation to the disposal of the pub/restaurant site within the District Centre. Two very strong submissions were received, representing both strong value for money and a high quality design which will form a strong anchor to the District Centre. It is therefore proposed that the due diligence process commences with the selected operator and the terms of the land sale agreed as soon as possible to support an early start on site. The development of this site will require the Council to deliver improvements to the canal including the towpath and a bridge crossing from the Waitrose store.
- 3.5 The infrastructure described in paragraphs 3.2 to 3.4, will also unlock some residential development parcels in the District Centre. It is proposed that these are developed as part of this phase in order to support the funding of the infrastructure works. A full business case in relation to the phase will be brought back to Cabinet.
- 3.6 In the interim it is proposed that the Chief Executive Forward Swindon continues to be the responsible Officer for the project, supported by the Corporate Director Resources and the Interim Director of Economy, Regeneration & Skills. The report to Cabinet will set out the governance arrangements for the delivery of the District Centre phase.
- 3.7 A budget of £750,000 is requested to progress the design and planning of the District Centre site. These costs will be recovered by the capital receipts from the District Centre development. The budget will enable the District Centre design codes and the detailed design of infrastructure to be completed. This infrastructure will include new roads, landscaping and improvements to the canal banks. The design needs to be completed in order to allow the planning applications for the secondary school, pub/restaurant and other district centre opportunities to progress. The budget will also allow the design of the older people's housing and residential parcels to progress and some initial marketing work.
- 3.8 The budget will also cover the existing team costs during the interim period as well as additional resource required to reflect the move into the development stage of the project. The budget required to cover the cost of the infrastructure works will be set out in a future report along with an assessment of costs and returns through a detailed development appraisal.
- 3.9 Breakdown of the budget:

Infrastructure Design	£250,000
Urban Design (design coding and residential)	£300,000
Viability Assessment	£50,000

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Branding and Marketing	£50,000
Team Costs	£50,000
Contingency	£50,000
TOTAL	£750,000

- 3.10 On 4th November 2015 authority was provided by way of a Cabinet Member Briefing Note for the Head of Property Assets in consultation with the Board Director, Commissioning and the Director of Law and Democratic Services to dispose by way of a lease the Wichelstowe Secondary School Land on such terms and conditions as are agreed with the Director of Law and Democratic Services in order to protect the Council's interest. During the subsequent development of both the District Centre Design Code and the detailed design of the school it has been agreed with the Education Funding Agency (EFA) that the secondary school and primary school within the Wichelstowe District Centre area would be combined into a single campus delivering benefits in both design and operational terms. It is therefore proposed that the necessary amendments are made to the school boundary and leases are completed to enable delivery of both the primary and secondary school elements of the campus.

4. Alternative Options

- 4.1 If this work is not progressed the secondary school programme will be delayed and it will be required to open for a significant period in temporary accommodation. The grant funding associated with the older people's housing would also need to be diverted from Wichelstowe to other schemes. There would also be a further delay in relation to the start on site of housing development at Wichelstowe.
- 4.2 The signature of the Joint Venture could be brought forward in order to deliver these works within the venture. However, there remain a number of legal and technical issues to resolve with BDW which are likely to delay the district centre programme.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1 The financial implications are detailed in the report.

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Legal and Human Rights Implications

- 5.2 Legal and Human Rights implications have been fully taken into account in the preparation of this report. It is believed its recommendations are compatible with Convention Rights.
- 5.3 The Joint Venture procurement process continues to be supported by the project's specialist external legal advisors (Pinsent Masons).

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.4 The Council's aspiration to deliver a sustainable development at Wichelstowe is well established and this is detailed in the reports to the February 2013 (Cabinet Minute 104, 2012/13 refers) and September 2013 (Cabinet Minute 48, 13/14 refers) meetings of Cabinet.
- 5.5 There will be no staffing implications in relation to this report.

Diversity Impact Assessment

- 5.6 A Diversity Impact Assessment (DIA) has been prepared to support the Joint Venture process. A copy of the DIA is available from the report author on request. The DIA will be updated once design work commences with a focus on ensuring that the development is accessible to all.

Risk Management

- 5.7 A headline risk register has been prepared for the Wichelstowe project. Risks are managed in accordance with the Wichelstowe programme risk management process.
- 5.8 The key risks in relation to the District Centre are:
- Insufficient market interest resulting in lower or delayed returns
 - Insufficient internal skills and capacity to deliver at pace
 - Infrastructure cost escalation
- 5.9 A detailed risk register will be produced to support the business case which will be reported back to Cabinet.

6. Consultees

- 6.1 The Corporate Director, Resources (Section 151 Officer) and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports.

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7. Background Papers

7.1 None

8. Appendices

8.1 Wichelstowe District Centre Area Plan

9. Key Decision/Decision in Cabinet Work Programme and Forward Plan

9.1 This is not a Key Decision and is included in the Cabinet Work Programme and Forward Plan for August 2016.