

HAVANT BOROUGH COUNCIL

Meeting

Date

CABINET

20 March 2019

REGENERATION PROGRAMME – PHASE 1
Head of Regeneration (South)

FOR DECISION

Portfolio: Cabinet Lead for Finance and Regeneration Cllr T Pike

Director: Simon Jenkins

Key Decision: Yes

1.0 Purpose of Report

- To seek approval to progress three projects that make up Phase 1 of the **Regeneration Programme** as set out in the ***Opportunity Havant*** Regeneration Strategy for the Borough 2018-2036 that was adopted by the Council on 7 November 2018.

2.0 Recommendations

Cabinet agrees:

- 2.1 To instruct the Director for Regeneration and Place and the Head of Regeneration in consultation with the Cabinet Lead for Property, Finance and Regeneration and the Chief Finance Officer to achieve best value for **Brockhampton West Havant** in accordance with the Local Plan Policy C10.
- 2.2 To instruct the Director for Regeneration and Place and the Head of Regeneration in consultation with the Cabinet Lead for Finance and Regeneration and Chief Finance Officer to seek best value for the Council to enable the development of **Southwood Road Car park, Hayling Island** in accordance with the Local Plan Policy.
- 2.3 To instruct the Director for Regeneration and Place and the Head of Regeneration in consultation with the Cabinet Lead for Finance and Regeneration to develop a long-term masterplan

for the Redevelopment of West Beach, Hayling Island. The completed masterplan would be brought to Cabinet.

3.0 Executive Summary

- 3.1 The Opportunity Havant Regeneration Strategy was adopted by the Council on 7 November 2018 as one of the four policy pillars of the Council alongside the Local Plan, the Corporate Strategy and the Medium-term Financial Strategy.
- 3.2 The Regeneration Strategy sets out the case for the Council taking an interventionist approach in developments in the Borough in order to drive forward the delivery of strategic objectives around economic prosperity, job creation and the provision of housing.
- 3.3 The development and delivery of a suite of projects known as the Regeneration Programme was delegated to the then Strategic Director for Operations and Place Making in consultation with the Cabinet Lead for Finance and Regeneration. This was on the understanding that individual projects would be brought to Cabinet for approval. The first such project was the development of the Council's Civic Plaza Car Park which was initially considered by Cabinet on 24 October 2018. This report sets out three further projects that have been brought forward for inclusion of the first phase of the Regeneration Programme:
 - a) Brockhampton West
 - b) Southwood Road (Nab Car Park)
 - c) West Beach
- 3.4 Project Initiation Documents (PIDs) have been produced for each of these projects in accordance with the Council's Project Management processes. The PIDs set out the detailed objectives, business cases, governance, management and reporting processes that will be utilised in line with the Council's project management processes. The PIDs were considered by the Major Projects Task Force (Regeneration) on 23 January 2019 and by the Executive Project Board (4 February 2019)
- 3.5 Subject to approval by Cabinet, the projects will be added to the Regeneration Project Register for management through the Regeneration Programme governance structure which Cabinet approved on 13 February 2019.

PROJECT DETAILS

4.0 A – Brockhampton West, Havant Development

- 4.1 The Council is seeking to procure advice from a commercial property agent on the most effective way to secure the best value for the site, this will raise a capital receipt for the Council and ensure that the site is developed in a way that meets the Council's strategic economic objectives. The agent would then be asked to market the site, manage the competitive bidding process and any negotiations prior to disposal.
- 4.2 The financial case for this project is based on the disposal of the site generating a capital receipt that will be used to forward fund other projects within the Regeneration Programme. This will allow the Council to deliver its economic and social regeneration objectives while minimising direct financial pressure on the Council.

5.0 B – Southwood Road Car Park, Hayling Island Development

- 5.1 The proposal is to dispose of either the freehold or through a long leasehold of the Council owned surface car park on Southwood Road (known as Nab Car Park) in exchange for a capital receipt, this will be reinvested in other projects within the Regeneration Programme.
- 5.2 The Council is seeking to procure advice from a commercial property agent on the most effective way to dispose of the site in order to secure the best value/capital receipt and to ensure that the site is subsequently developed in a way that meets the Council's strategic objectives.
- 5.3 The agent would then be asked to market the site and manage the bidding process and any negotiations prior to disposal.

6.0 C – Approval of West Beach Redevelopment

- 6.1 The Council is seeking to commission architects/urban designers to produce a long-term regeneration vision and financial estimates for the detailed development of West Beach.
- 6.2 Once produced the scheme would be brought back to Cabinet for consideration and to seek agreement for implementation. This would be based on a comprehensive business case.
- 6.3 The masterplan and delivery scheme would:
 - *Create a high-quality accessible attraction focussed around water sports and responsible enjoyment of the natural environment that would enhance the social economic and environmental prosperity of Hayling Island*
 - *Consolidate and clearly define development areas to enhance and manage the SSSI and its setting*

- *Create development that links into and reinforces the wider Hayling Seafront Masterplan*

7.0 Additional Budgetary Implications

- 7.1 There are no additional budgetary implications as the costs will be met from within existing approved budgets.
- 7.2 Investment in any capital scheme would be subject to a further.

8.0 Background and relationship to the Corporate Strategy and Directorate Business Plan/s

- 8.1 Fully integrated with the Opportunity Havant Regeneration Strategy for the Borough 2018-2036 (adopted 7 November 2018). The current Corporate Strategy 2017-2022 (approved July 2017) and is fully aligned with the existing and emerging Local Plans.

9.0 Options considered and reasons for the recommendation

- 9.1 The alternative option to the above is for the Council to leave the regeneration of the Borough to market forces. Historically this has led to a lack of investment in the Borough. The Council has stated its intent to take an interventionist approach and directly invest in a commercial way to drive regeneration.
- 9.2 In addition to the options set out in this report, the Council has the option of doing nothing. This would reduce the financial exposure to the Council but would not follow through on an existing Local Plan allocation and be a missed opportunity to utilise Council property assets in a way that promotes regeneration and provides a commercial return to the Council.

10.0 Resource Implications

- 10.1 **Financial Implications:** The financial implications of the above proposals have been provided for within the current regeneration budget.
- 10.2 Future funding implications will be agreed with the Chief Finance Officer and approval sought from Cabinet and Council
- 10.3 **Human Resources Implications:** This project will require a dedicated project manager and a project delivery team. The posts are within the regeneration budget
- 10.4 **Other Resource Implication:** It is important that staff within the Council get involved in the Regeneration Programme. Every member of staff impacts on the regeneration of the Borough.

11.0 Legal Implications

- 11.1 Legal support will be required throughout the regeneration programme. This will often be required urgently and at short notice. This will include conveyancing relating to the acquisition, review of procurement procedures, contract negotiations and the production and negotiation of development agreements.
- 11.2 Where resources are not available in-house, it will be necessary to commission external resources..

12.0 Risks

- 12.1 The increased risks involved in the Council taking a more interventionist position in the regeneration of the Borough must be balanced with not being involved undermining the future prosperity of the Borough. Certainly, development carries risks in terms of increasing build costs and a reliance on the wider market to achieve expected sales values. With the right expertise and development partner arrangement these risks can be minimised.
- 12.2 A reliance on the market has not delivered any change in the Borough, we have seen the same sorts of housing development occur that have always been the case. The Council's Local Plan relies on a change in housing delivery to achieve the 1,500 new homes in the regeneration areas through high density developments rather than the traditional 2-3 bed family homes. Demonstrating that the Council is behind the regeneration is powerful evidence that will be essential in achieving a sound local plan.

16.0 Consultation

- 16.1 The regeneration projects are all identified in the emerging Local Plan, which is subject to a full public consultation programme. The Local Plan is at a relatively high level and therefore when detailed proposals emerge for the individual projects then additional consultation will be planned. If and when any planning application is made, then that is subject to statutory public consultation.
- 16.2 Consultations with councillors will be central to the programme as members are the representatives of the communities. Member briefings will continue on a regular basis the most recent being on 18 March 2019.

17 Communication

Background Papers:

[Havant Corporate Strategy 2017 -2022](#)

[Havant Local Plan](#)

Agreed and signed off by:

Monitoring Officer: 14 March 2019

S151 Officer: 18 March 2019

Director: 15 March 2019

Portfolio Holder: 15 March 2019

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