

# AGENDA

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**Meeting:** Cabinet Capital Assets Committee  
**Place:** The Kennet Room - County Hall, Trowbridge BA14 8JN  
**Date:** Tuesday 15 November 2016  
**Time:** 10.30 am or on the rising of Cabinet whichever is the later.

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Please direct any enquiries on this Agenda to Will Oulton, of Democratic Services, County Hall, Bythesea Road, Trowbridge, direct line 01225 713935 or email [william.oulton@wiltshire.gov.uk](mailto:william.oulton@wiltshire.gov.uk)

Press enquiries to Communications on direct lines (01225) 713114/713115.

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## Membership:

Cllr Fleur de Rhé-Philippe	Cllr John Thomson
Cllr Baroness Scott of Bybrook OBE	Cllr Dick Tonge
Cllr Toby Sturgis	

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## Substitutes:

Cllr Laura Mayes	Cllr Philip Whitehead
Cllr Jonathon Seed	Cllr Jerry Wickham
Cllr Stuart Wheeler	

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## **Public Participation**

Please see the agenda list on following pages for details of deadlines for submission of questions and statements for this meeting.

For extended details on meeting procedure, submission and scope of questions and other matters, please consult [Part 4 of the council's constitution](#).


The full constitution can be found at [this link](#).

For assistance on these and other matters please contact the officer named above for details

# AGENDA

## Part I

### Items to be considered while the meeting is open to the public

**Key Decisions:** Matters defined as 'Key' Decisions and included in the Council's Forward Work Plan are shown as 

1 **Apologies and Substitutions**

2 **Minutes of the previous meeting** (*Pages 5 - 10*)

To confirm and sign as a correct record the minutes of the Cabinet (Capital Assets) Committee meeting held on 13 September 2016.

3 **Leader's Announcements**

4 **Declarations of interest**

To receive any declarations of disclosable interests or dispensations granted by the Standards Committee.

5 **Public Participation and Questions from Councillors**

The Council welcomes contributions from members of the public. This meeting is open to the public , who may ask a question or make a statement. Questions can also be asked by members of the Council. Written notice of questions or statements should be given to Will Oulton of Democratic Services by 12.00 noon on Thursday 10 November 2016. Anyone wishing to ask a question or make a statement should contact the officer named above.

6 **Sherston: Land North of Sopworth Road** (*Pages 11 - 18*)

 Report by Dr Carlton Brand, Corporate Director.

7 **East Wing Redevelopment Proposal** (*Pages 19 - 34*)

 Report by Dr Carlton Brand, Corporate Director.

8 **Urgent items**

Any other items of business that the Leader agrees to consider as a matter of urgency.

9 **Exclusion of the Press and Public**

This is to give further notice in accordance with paragraph 5 (4) and 5 (5) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 of the intention to take the following item in private.

To consider passing the following resolution:

To agree that in accordance with Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the business specified in Item Number 8 because it is likely that if members of the public were present there would be disclosure to them of exempt information as defined in paragraph 3 of Part I of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public.

Reason for taking item in private:

Paragraph 3 - information relating to the financial or business affairs of any particular person (including the authority holding that information).

**Part II**

**Items during consideration of which it is recommended that the public should be excluded because of the likelihood that exempt information would be disclosed**

10 **East Wing Redevelopment Proposal (Pages 35 - 44)**

 Report by Dr Carlton Brand, Corporate Director.

*Our vision is to create stronger and more resilient communities. Our priorities are: To protect those who are most vulnerable; to boost the local economy - creating and safeguarding jobs; and to support and empower communities to do more themselves.*

## **CABINET CAPITAL ASSETS COMMITTEE**


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DRAFT MINUTES of a MEETING held in THE KENNET ROOM - COUNTY HALL, TROWBRIDGE BA14 8JN on Tuesday, 13 September 2016.

Cllr Fleur de Rhé-Philipe	Cabinet Member for Economic Development, Skills, Strategic Transport and Strategic Property
Cllr Baroness Scott of Bybrook OBE	Leader of the Council
Cllr Toby Sturgis	Cabinet Member for Strategic Planning, Development Management, Strategic Housing, Operational Property and Waste
Cllr John Thomson	Deputy Leader and Cabinet Member for Communities, Campuses, Area Boards and Broadband
Cllr Dick Tonge	Cabinet Member for Finance

Also in Attendance: Cllr Jonathon Seed, Cllr Stuart Wheeler, Cllr Philip Whitehead and Cllr Ian McLennan

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Key Decisions Matters defined as 'Key' Decisions and included in the Council's Forward Work Plan are shown as 

### **42 Apologies and Substitutions**

All members were present.

### **43 Minutes of the previous meeting**

The minutes of the meeting held on 19 July 2016 were presented.

#### **Resolved**

**To approve as a correct record and sign the minutes of the meeting held on 19 July 2016.**

### **44 Leader's Announcements**

There were no leaders announcements.

### **45 Declarations of interest**

It was noted that Councillor Ian McLennan, in attendance the meeting, was not a member of the Laverstock and Ford Parish Council and was the local Wiltshire Councillor for the adjacent ward.

**46 Public Participation and Questions from Councillors**

It was noted that no requests for public participation had been received. The Leader did however explain that, as usual at meetings of Cabinet, she would be more than happy to hear from any member of the public present on any of the items on the agenda.

**47 Capital Budget Monitoring**

Councillor Dick Tonge presented the report which informed Cabinet on the final position of the 2015/2016 Capital Programme, including highlighting budget changes and movements summarised in the appendices.

In response to a question raised by the Leader, Councillor Tonge stated that interest rates for Capital loans are set over a longer period of time and may not be affected as much by variations in the base rate.

**Resolved**

- 1. To note the budget movements undertaken to the capital programme shown in appendices A and B.**
- 2. To also note the reprogramming of £0.278 million between 2016/2017 and 2017/2018.**

*Reason for Decision:*

*To inform Cabinet of the position of the 2016/2017 capital programme as at Period 4 (31 July 2016), including highlighting any budget changes.*

**48 Wiltshire Growth Deal - Update and Funding Implications**

Councillor Fleur de Rhé-Philippe invited officers to present the report which provided an update on delivery of projects and the financial implications arising from proposed changes to the programme; the report also provided an update on the development and submission of the Growth Deal round 3 bid.

Issues highlighted in the course of the presentation and discussion included: the opportunity for the Council to cashflow specified projects to enable them to be completed earlier than originally planned, thereby potentially saving costs in relation to procurement and construction; the impact of not accelerating delivery on other economic growth and planning projects; that accelerating the delivery of projects should give the Council an opportunity to show how it is efficient at delivering Growth Deal projects and thereby a stand a greater chance of securing funding from government in the future; the opportunities for seeking

funding from other government agencies, including Highways England; how working with a development partner on specific projects can reduce the risks that the Council is exposed to; and the timetable for central government to approve projects submitted as part of the Growth Deal Round 3.

### **Resolved**

- 1. That Cabinet Capital Assets Committee agrees the recommended cash flow proposal for the delivery of projects that form part of the Swindon and Wiltshire Growth Deal.**
- 2. That Cabinet Capital Assets Committee delegates authority to the Section 151 Officer, to negotiate and agree with the Associate Director of Economic Development and Planning, and the Associate Director of Highways and Transport to cashflow and deliver the schemes.**
- 3. That the SWLEP Commissioning Group be approached to underwrite any the development cost for Chippenham Station Hub in recognition that the project is being delivered by the Council on behalf of the SWLEP.**
- 4. That subject to resolution 3 above, that Cabinet Capital Assets Committee agrees to cover the development costs for Chippenham Station Hub and those requested in Appendix C using the £0.5 million transition funding provided for Growth Deal project development (see para 50).**
- 5. That Cabinet Capital Assets Committee notes the development and submission of the SWLEP Growth Deal round 3 bid.**

#### *Reason for Decision:*

*To ensure that Wiltshire Council maximizes the benefits and opportunities associated with the Growth Deal programme in terms of delivering key infrastructure projects and building Wiltshire's economy whilst managing the financial implications and associated risks to the organisation.*

*Accelerated delivery of projects sends a strong message to Government on Wiltshire Council's ability to deliver Growth deal projects to time, cost and quality. Accelerated delivery could also help realise potential time and cost efficiency savings.*

#### **49 Urgent items**

There were no urgent items.

50 **Exclusion of the Press and Public**

**Resolved**

**To agree that in accordance with Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the following items of business because it is likely that if members of the public were present there would disclosure to them of exempt information as defined in paragraph 3 of Part I of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public.**

Reason for taking the item in private:

Paragraph 3 – information relating to the financial information or business affairs of any particular person (including the authority holding that information)

No representations have been received as to why this item should not be held in private.

51 **Wiltshire Growth Deal - Update and Funding Implications (Part ii)**

The meeting considered the additional information contained in the exempt appendix.

Following a debate, the meeting;

**Resolved**

**That costs incurred undertaking development work to support the opportunity referred to in the exempt report are covered using the £0.5 million transition funding identified in paragraph 50.**

**That up to £0.080 million is therefore approved to enable this work to be undertaken.**

**To confirm that Wiltshire Council is committed to work with the LEP and central government to support the development of infrastructure required to support development of the site and secure inward investment.**

52 **Hampton Park Country Park (Part ii)**

Councillor Toby Sturgis presented the report which asked the Committee to confirm whether the council wanted to nominate Laverstock and Ford Parish Council as nominee for the Hampton Park Country Park; and to confirm the approach the council wishes to take in respect of negotiations with the developer in respect of the section 106.



In response to a question raised by Cllr Ian McLennan, Councillor Sturgis agreed that he would instruct officers to write to clarify the process by which agreements would be enforced.

### **Resolved**

- 1. To confirm their support for Laverstock and Ford Parish Council's desire to own, deliver and maintain the Hampton Park Country Park and make them the council's nominee.**
- 2. To confirm their support to enter into a new s106 agreement with the developer and make Laverstock and Ford Parish Council party to that agreement.**
- 3. To confirm their support for approaching the negotiations on the basis that land and funds are transferred directly between the developer and Laverstock and Ford Parish Council, with Wiltshire Council taking no intermediary role in terms of land ownership or financial risk.**
- 4. To delegate to the Associate Director for People and Business the ability to enter into and complete s106 negotiations with the developer and Laverstock and Ford Parish Council on the terms described above. In particular ensuring legal agreement to transfer all current and future risk, including financial, to Laverstock and Ford Parish Council. If this cannot be reached then the development by the Council or Nominee will not progressed or be supported.**

(Duration of meeting: 11.00 am - 12.03 pm)

<p>These decisions were published on the 15 September 2016 and will come into force on 23 September 2016</p>
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The Officer who has produced these minutes is Will Oulton, of Democratic Services, direct line 01225 713935 or e-mail [william.oulton@wiltshire.gov.uk](mailto:william.oulton@wiltshire.gov.uk)  
Press enquiries to Communications, direct line (01225) 713114/713115

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**Wiltshire Council**

**Cabinet Capital Assets Committee**

**15<sup>th</sup> November 2016**

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**Subject: Sherston: Land North of Sopworth Road**

**Cabinet member: Fleur de Rhe Philipe** - Economic Development, Skills, Strategic Transport and Strategic Property

**Key Decision: Yes**

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## **Executive Summary**

Sherston Parish Council is preparing a Neighbourhood Plan. One of the sites being considered relates to an area of around 3.19 hectares (7.897 acres) to the north of Sopworth Road, Sherston, in third party ownership, over which the Council has a controlling legal interest. The desire is for a mixed use development including housing, GP Surgery and extension to the primary school.

In order to progress the Neighbourhood Plan, the Parish Council needs to know whether Wiltshire Council is prepared to enter into a land transaction with the owner to enable the site to come forward for development and ensure that the site is deliverable.

Members are invited to consider whether to approve the council entering into an agreement with the landowner, and whether such a land transaction is to provide sufficient land for the GP Surgery.

## **Proposals**

In the event that the Neighbourhood Plan is made and it allocates land north of Sopworth Road, Sherston for development to:

1. Enter into and complete a land transaction with the owner to enable development to take place in accordance with the Neighbourhood Plan on terms to be agreed, subject to consultation with the Cabinet Member for Economic Development, Skills, Strategic Transport and Strategic Property.
2. Include in the transaction an area of land sufficient to provide a GP Surgery.

In the further event that the CCG confirms long-term funding provision for the GP Surgery in Sherston to:

3. Sell the land for the replacement GP Surgery to a developer, the doctors themselves, or some other third party, with the sale agreement providing for the construction of the facility.
4. Review the decision in 5 years' time in the event that the construction of the replacement GP Surgery has not been secured.

### **Reason for Proposals**

To support the ambitions of the Sherston community in the preparation of its Neighbourhood Plan and, in the event that the 'made' Neighbourhood Plan includes the development of the land north of Sopworth Road Sherston, to facilitate its delivery.

**Dr Carlton Brand**  
**Corporate Director**

## Wiltshire Council

### Cabinet Capital Assets Committee

15<sup>th</sup> November 2016

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**Subject:** Sherston: Land North of Sopworth Road

**Cabinet member:** Fleur de Rhe Philipe - Economic Development, Skills, Strategic Transport and Strategic Property

**Key Decision:** Yes

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#### Purpose of Report

1. In the event that the Sherston Neighbourhood Plan supports the allocation of development of the land north of Sopworth Road, Sherston, to seek authority to enter into and complete a land transaction with the owner, a condition of which will be the provision of land for a replacement GP Surgery.

#### Relevance to the Council's Business Plan

2. The proposal will assist in creating stronger and more resilient communities.

#### Background

3. The Parish Council will shortly be consulting its community regarding possible development in its area.
4. One of the sites that has been put forward, by the land owner, for consideration is around 3.19 hectares (7.897 acres) to the north of Sopworth Road, Sherston.
5. The Council has a controlling legal interest over the land through a restrictive covenant prohibiting development together with an option to acquire around 2 hectares (5 acres) of the land that fronts Sopworth Road.
6. Unless the Council agrees to enter into a transaction with the land owner that will release the covenant and option, the site will not be deliverable for housing development, and therefore would not be suitable for inclusion in the Neighbourhood Plan.
7. The Parish Council is aware that the current GP Surgery is in need of a modern replacement. It has been advised that an obligation to provide such a facility through the planning process would be inappropriate.
8. It is therefore requesting the Council to provide an assurance that if there is support for development at Sopworth Road, through the public consultation process, that the transaction with the owner will provide sufficient land for a

replacement GP Surgery. The owner's representative has confirmed that such provision would be acceptable in principle.

### **Main Considerations for the Council**

9. This report has been produced following a specific request from Sherston Parish Council. Naturally it does not want to include a site in the consultation process if there is no reasonable prospect of the site being delivered. This is the same approach the Council took when 'calling for sites' during the Core Strategy Process.
10. During that process, a number of property owners approached the Council, where it owned adjoining land, asking for a letter of comfort that if they were successful in securing a development allocation in the Core Strategy process then the Council would enter into a joint sale agreement. Such letters were sent where there would be no negative impact on operational service delivery, on the basis that the decision regarding the possibility of development on third party land should be decided through the planning process rather than through a property decision. In this way, both the land owner and the community have the ability to express their views and suitable weight is given by the Planning Committee.
11. Similarly in regard to the subject site, if the Council does not agree the principle to enter into a land transaction then it will deprive the Sherston community of the opportunity to consider the benefits or otherwise of this site for development compared to others.
12. Naturally any land transaction would have to comply with the best value requirements of the Local Government Act 1972.
13. As regards providing land for a GP Surgery as part of the land transaction, at the time of writing this report there is an indication that revenue funding for the ongoing provision of a GP Surgery in Sherston will be forthcoming from the local Clinical Commissioning Group (CCG), but not capital funding. However, it is possible that this may change in the short or medium term and therefore it is suggested that if Members are minded to support such an initiative that the undertaking to make sufficient land available for a GP Surgery should remain for, say, 5 years, after which the position can be reviewed. An extension of time could then be given if there is a realistic prospect that funding will be forthcoming.
14. In the event that funding is secured during that period, then Members may wish to transfer the land at a price that would enable the construction to take place.
15. Alternatively, the Council could construct the facility itself if there is capital or revenue funding available for a reasonable period of time from the Health sector or other sources. However it is recommended that such a course of action is subject to a further report to this Committee in the event that the site is allocated for development and details of the funding are known.

### **Safeguarding Implications**

16. The provision of a replacement surgery would enhance wellbeing.

### **Public Health Implications**

17. The provision of a replacement surgery would enhance wellbeing

### **Corporate Procurement Implications**

18. None.

### **Equalities Impact of the Proposal**

19. The provision of a replacement surgery would enhance wellbeing to all in the community.

### **Environmental and Climate Change Considerations**

20. If the community support development of the site then there will be environmental and climate change considerations that are best dealt with through the planning application process in due course.

### **Risk Assessment**

#### **Risks that may arise if the proposed decision and related work is not taken**

21. Those in the community that would support or object to the development of the site will not have the opportunity to express their opinions thereby undermining the planning process.

22. There is a risk that the local GP Surgery will close.

#### **Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks**

23. The community may reject the allocation of the site in the Neighbourhood Plan for development. No action will be taken to mitigate this risk as it is a matter for the community to decide upon as part of the planning process. If the site is rejected then the Council will have suffered no direct loss.

24. It may not be possible to agree terms with the landowner over the release of the covenant and surrender of the option. The Council's only option is to act reasonably in its negotiations whilst maintaining its statutory obligations under S123 of the Local Government Act 1972. It is in both parties' interests to reach an agreement if the site is allocated in the Neighbourhood Plan for development.

### **Financial Implications**

25. The option proposed in this report is seeking approval to sell its land interest in the land north of Sopworth Road, Sherston subject to an allocation of a piece of land to build a GP Surgery.

26. The purpose of this is to assist in the Neighbourhood Plan process by providing assurance to the Sherston community that any development taken up on the land the Council currently has an interest on could only proceed if a GP surgery is provided.
27. At this stage there are no immediate financial implications of declaring the option for disposal with this condition. Full business cases covering the delivery of the GP Surgery will be prepared in the event that the Neighbourhood Plan is 'made' and the Council land is allocated for development, with any subsequent decision being brought back to CCAC for consideration.
28. The inclusion of the condition for the GP surgery increases the probability of the site being allocated for development in the Neighbourhood Plan, which in the future could generate a capital receipt. The inclusion of the condition will affect the level of capital receipt the council and the other land owner will receive, and the receipt could be lower than if the GP Surgery condition was not included. However without the condition, the probability of the land being allocated in the Neighbourhood Plan is very low.

### **Legal Implications**

29. The Council must comply with its statutory obligations under S123 of the Local Government Act 1972 to obtain best value in the disposal of its assets.

### **Options Considered**

30. The Council could decide not to enter into a land transaction with the site owner but this would deprive the community the opportunity to consider whether development of the site is in its best interests. The Council would also lose the opportunity of securing a substantial capital receipt.
31. Accordingly it is recommended to reject this option.

### **Conclusions**

32. If Members approve the proposals, then it will provide the Council with an opportunity to obtain a substantial capital receipt and may assist the Neighbourhood Plan process.

### **Proposals**

In the event that the Neighbourhood Plan is made and it allocates land north of Sopworth Road, Sherston for development to:

1. Enter into and complete a land transaction with the owner to enable development to take place in accordance with the Neighbourhood Plan on terms to be agreed, subject to consultation with the Cabinet Member for Economic Development, Skills, Strategic Transport and Strategic Property.
2. Include in the transaction an area of land sufficient to provide a GP Surgery.



In the further event that the CCG confirms long-term funding provision for the GP Surgery in Sherston to:

3. Sell the land for the replacement GP Surgery to a developer, the doctors themselves, or some other third party, with the sale agreement providing for the construction of the facility.
4. Review the decision in 5 years' time in the event that the construction of the replacement GP Surgery has not been secured.

### **Reason for Proposals**

To support the ambitions of the Sherston community in the preparation of its Neighbourhood Plan and, in the event that the 'made' Neighbourhood Plan includes the development of the land north of Sopworth Road Sherston, to facilitate its delivery.

### **Carlton Brand**

Report Author:

Mark Hunnybun  
Strategic Projects & Development Manager  
Telephone: 01225 713230  
Email: mark.hunnybun@wiltshire.gov.uk

10<sup>th</sup> October 2016

### **Background Papers**

None

### **Appendices**

Site Plan



Wiltshire Council

Cabinet Capital Assets Committee

15 November 2016

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**Subject:** East Wing redevelopment proposal

**Cabinet Member:** Cllr Fleur de Rhé-Philippe  
Economic Development, Skills, Strategic Transport and  
Strategic Property

**Key Decision:** Yes

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## Executive Summary

This report provides an update on the work undertaken to explore redevelopment options for the East Wing site in Trowbridge.

It sets out the regeneration objectives of the East Wing site, alongside the potential opportunities provided by the redevelopment of a strategic, council-owned site within Trowbridge town centre.

Recent work has demonstrated the potential for the site to deliver a mixed use development opportunity. This has been the subject of feasibility testing. The work completed to date has informed an indicative delivery programme and the recommendation to seek a delivery partner for the site.

This report seeks Cabinet approval for the proposed approach for further work.

## Proposals

That Cabinet:

- (i) Notes the work completed to date on exploring the redevelopment opportunities for the East Wing site.
- (ii) Approves the recommended approach for taking the work forward as set out in Table 1 and in the Next Steps section of this report (from paragraph 30).
- (iii) Delegates authority to the Associate Director People and Business in consultation with the Cabinet Member for Economic Development, Skills, Strategic Transport and Strategic Property, the Associate Director Economic Development and Associate Director Finance, to complete negotiations for the acquisition of Rothermere House in line with the approach set out in **Appendix B (confidential - not for publication)** and subject to acceptable financial terms.

- (iv) Delegates authority to the Associate Director Economic Development and Planning, in consultation with the Associate Director Finance and Cabinet Member for Economic Development, Skills, Strategic Transport and Strategic Property, to progress the project as detailed; to be brought back to Cabinet for key updates and decisions, as required.

**Reason for Proposals**

To provide an update on progress and seek Cabinet's support for the recommended approach to progress work in relation to the redevelopment of the East Wing site.

**Dr Carlton Brand**  
**Corporate Director**

## Wiltshire Council

### Cabinet Capital Assets Committee

15 November 2016

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**Subject:** East Wing redevelopment proposal

**Cabinet Member:** Cllr Fleur de Rhé-Philippe  
Economic Development, Skills, Strategic Transport and  
Strategic Property

**Key Decision:** Yes

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#### Purpose of Report

1. To update the Committee on the options being explored for future redevelopment of the East Wing site and obtain approval for the proposed approach for further work.
2. To delegate authority to the Associate Director Economic Development and Planning, in consultation with the Associate Director Finance and Cabinet Member for Economic Development, Skills, Strategic Transport and Strategic Property, to progress the project as detailed; to be brought back to Cabinet for key updates and decisions, as required.

#### Relevance to the Council's Business Plan

3. The Council's Business Plan commits to continue to rationalise and make better use of its land and property portfolio in order to support the delivery of its priorities.
4. The redevelopment of a strategic site within council control has the potential to deliver against the core vision of the Business Plan, to *create stronger and more resilient communities*.
5. Trowbridge is a principal settlement in the Core Strategy and a focus for new development and regeneration in Wiltshire. East Wing site redevelopment is an opportunity to contribute to the Business Plan priority *to boost the local economy* through the regeneration of a strategic site.

#### Main Considerations for the Council

6. The Trowbridge Masterplan (2014) identifies the East Wing site as a strategically important regeneration opportunity that can deliver high quality, vibrant and mixed use development which supports the vision for the town centre.

7. The regeneration objectives of the East Wing site are set out in the Trowbridge Masterplan. In summary they are:
- Comprehensive redevelopment of the East Wing / Court Street Car Park site which delivers high quality, vibrant and mixed use development.
  - Contribute to town centre regeneration with development that encourages linked trips and complements destinations along the river corridor at St Stephen's Place and Cradle Bridge.
  - Construct a new pedestrian/cycle bridge over the river (considered to be a priority bridge link)
  - Consolidate car parking, minimise its impact on the streetscape, enhance the public realm and create pedestrian friendly spaces.
  - Maximise active development frontage onto the River Biss Corridor and Bythesea Road.
  - Align the east-west link with the symmetrical layout of County Hall and established pedestrian desire lines.
8. The Masterplan sets out land use considerations for this site:
- Comparison retail - The site is sufficiently sized to accommodate small or large scale retail developments. Development should complement the adjacent leisure development at St Stephen's Place and support the potential for linked trips. Any future development should demonstrate how it forms part of a new retail circuit for Trowbridge Town Centre.
  - Housing - The principal of town centre living is supported; however, large scale residential development is not considered a primary use. The site is sufficiently sized to accommodate a range of residential types and tenures, including both market-led and sheltered housing. Residential development could be considered as part of a mixed use development which would add to the vitality of the town centre.
  - Leisure uses - The site is sufficiently sized to accommodate leisure development, on a scale which could meet all of the leisure requirements for the town. This would establish the area as a new southern gateway to the town centre.
9. The redevelopment of the site also presents an opportunity to meet local needs for public service uses (e.g. health care).

### **Options development**

10. The redevelopment opportunities for East Wing have been the subject of feasibility testing, including an initial financial viability appraisal. A range of options have been considered spanning proposals for large scale leisure-led development, through to residential-led schemes.
11. The objective of this work has been to test a series of options that can be refined into a mixed use scheme, which responds to Council and regeneration objectives for the site and represents a viable development opportunity. The potential opportunity for a health and wellbeing centre on the site, as part of a mixed use development, has been a requirement for each of these options.

12. Combining large scale leisure facilities within a mixed use scheme has been shown to leave a significant financial development gap, due to the capital costs involved. Resolving the necessary funding and financial arrangements to address this is a key constraint for this option and presents a risk to timely delivery of redevelopment on the site. During the next stage of project development there is a requirement to identify suitable external funding that could support delivery of leisure uses.
13. Further options have tested the scope for residential, retirement, retail and car parking to provide complementary uses to a health and wellbeing centre and generate value from the site. The mix of uses has been varied in density and configuration, and consideration has been given to the potential to incorporate smaller leisure elements alongside health.
14. In summary, this work has demonstrated that the site can support a mix of residential accommodation types (e.g. flats, townhouses and retirement accommodation), and that residential uses are important in terms of generating positive land values for a mixed use scheme. The site layout can also be configured to allow for the option of public uses (e.g. healthcare) to be developed independently.
15. An indicative scheme for the site which is illustrative of this work is attached in **Appendix A** (not for publication).
16. NHS Wiltshire Clinical Commissioning Group has commissioned a strategic study to examine the requirements and options for new primary care facilities in Trowbridge. This work is part-funded by the One Public Estate (OPE) programme and will support the decision making process on the nature and location of new health care facilities. The outcome of this work is expected in early 2017.
17. Other potential uses on the site could stem from requirements for extra care accommodation in Trowbridge and the housing team has been consulted in order to feed any such requirements into the options appraisal.

#### Delivery route

18. The options development work has used soft market testing to understand the likely market demand for different uses on the site and market response to different delivery routes.
19. This report recommends engagement of a development partner as the preferred route to delivery. This enables the Council to maintain a level of control over the development scheme and allows the potential to benefit from enhanced land value post-development. It also reflects the significance of the site for town centre regeneration and the opportunities to deliver new public facilities.
20. A joint venture approach will be considered as there are indications that this would generate interest from potential investors depending on the mix of uses to be delivered. The alternative will be to enter into a development agreement. In both cases the procurement and legal implications will need to be carefully considered in the next stage of project development, along with any actions to mitigate risks to the Council.

21. Within a partnership approach, the ability for the Council and / or its partners to identify external funding sources or enter into leasehold agreements will be an important enabling factor in delivering the public-use opportunities on the site.
22. There is some commercial interest in part of the site. This indicates the potential to divide the site into plots for either sale or development by the Council itself. This has the benefit of generating capital receipts for the Council and potentially to deliver new housing owned by the Council; however, the risk with this approach is that this will have an impact on the potential to meet other end user requirements and to deliver a comprehensive redevelopment of the site.

#### Development constraints

23. Rothermere House (formerly housing the Probation Service) is owned by the Ministry of Justice and occupies part of the East Wing site. Among the rights granted to the owners are access rights from the mini-roundabout on Bythesea Road. Third party ownership currently places some constraints / restrictions on future development proposals for the East Wing site and potentially significant costs during future construction phases.
24. Rothermere House has recently been put up for sale on the open market. A potential sale of the property to a third party introduces a number of additional risks to the East Wing project due to the potential for incompatible development proposals alongside the existing constraints/ restrictions from ownership rights.
25. It is anticipated that the acquisition of the property would overcome these constraints and enhance the development potential of the East Wing site. Officers consider that it would be prudent for the Council to take advantage of the opportunity to acquire the site. It is therefore recommended that authority should be delegated to the Associate Director People and Business in consultation with the Cabinet Member for Economic Development, Skills, Strategic Transport and Strategic Property, the Associate Director Economic Development and Associate Director Finance, to complete negotiations for the acquisition of Rothermere House in line with the approach set out in **Appendix B (confidential - not for publication)** and subject to acceptable financial terms.
26. Preliminary work has identified contamination and ground issues, flooding and drainage, potential service diversions and ecology as existing site constraints for the East Wing redevelopment. Highway access improvements may also be required and the addition of a pedestrian bridge over the River Biss is among the key design principles for the site.
27. Work regarding highways issues (e.g. options around access, movement, parking and traffic flows) has been commissioned with One Public Estate funding.
28. Redevelopment of the East Wing site will impact on current staff car parking arrangements as a significant area of the site is currently used for staff parking (315 bays in March 2016).



29. A parking/travel strategy for County Hall needs to be in place prior to any land disposal. This should be in line with Wiltshire Council's existing travel plan policies.

Next steps

30. Options development work has explored the development potential of the site and produced an indicative scheme which demonstrates a viable development opportunity.
31. An outline delivery programme (see table 1) has been produced to show how this work will be taken forward up to the selection of a development partner. The appointment of a development partner will be subject to cabinet approval.

Table 1: East Wing – indicative delivery programme

Stage	Tasks	Timescales (estimated)
Stage 1 Options development	Site appraisal Soft market testing Feasibility / viability testing	Complete
Stage 2 Business case development *NHS CCG decision on healthcare requirements	Procure Strategic Outline Business Case Pre-procurement advice (legal and procurement) Pre-application advice (planning) Outline planning application Securing investment partners	November 2016 to April 2017
Stage 3	Formal procurement to appoint a developer partner – <i>delivery model to be agreed in Stage 2.</i>  Procurement phase to award contracts for construction works.  <b>Appointment to be subject to cabinet approval</b>	(6 months)
Stage 4	Preliminary works start on site	Autumn 2017

32. The next stage is to refine the indicative scheme through development of a strategic outline business case. The output of this work will be an optimised scheme based on the options development work already completed and additional market considerations. Stage 1 feasibility testing has indicated that such a scheme would require a quantum of residential, and can accommodate public use (e.g. healthcare) with a smaller leisure element in order to derive positive development value from the site.

33. It will be important during stage 2 to establish whether external funding can be secured to enable larger scale leisure to be considered as a viable option.
34. It is recommended that a separate piece of work will be necessary to establish the likely impact of loss of parking and to consider future requirements and solutions for the site and Wiltshire Council operations. This could be undertaken in-house or commissioned if funding is available.
35. The option for health care provision on the site will be facilitated by supporting the NHS CCG (through OPE funding and stakeholder input) to undertake a strategic study into healthcare planning / requirements and enabling an area of the site layout to be flexibly defined to accommodate this option.
36. Advice will be sought from legal services and the corporate procurement hub to assist in defining an appropriate delivery model and procurement process for a development partner. This has implications for the duration of stage 3, which currently sets an ambitious six month programme and which will vary depending on the complexity of the process undertaken.
37. Further work will also be undertaken to progress delivery of the site by submitting an outline planning application. The intention is to fund this work programme through the One Public Estate funding allocation for Trowbridge.

## **Background**

38. The Trowbridge Masterplan, produced in 2014, sets out the context and development objectives and principles for three key opportunity sites in central Trowbridge; East Wing, Court Street Car Park and Cradle Bridge. (The former Bowyers site was not included at this time as planning permission had already been submitted and approved).
39. Cradle Bridge is currently being developed in accordance with the Masterplan and it will deliver new retail and leisure uses, complementing those at St Stephens Place.
40. The redevelopment of East Wing and Court Street Car Park represents a further regeneration opportunity for this central area. Various land uses have been considered for these sites (set out below).

## Leisure

41. As cited in the Masterplan, a large scale leisure facility on the site would serve to establish the area as a new southern gateway to the town centre. A local aspiration is the creation of a new hub; combining wet and dry sports and leisure facilities with healthcare, in a location that complements the services and community uses at County Hall. The incorporation of other retail and leisure uses at Court Street could help link the site with the town centre.
42. Initial discussion with Sport England, through the One Wiltshire Estate Partnership, has demonstrated its support for a Health and Wellbeing centre for Trowbridge and a commitment to play a part in its delivery.

43. The current Wiltshire Council leisure offer in Trowbridge is provided by Places for People at the Council sites in Castle Place and Clarendon Sports Centre. The Castle Place site in particular is a major income earner and will be key for the Council's Leisure Services when it comes in-house on 1 April 2018. A new hub would therefore be a critical element in the delivery of health improvement to the local population as the income derived will support targeted schemes to address health inequalities. This approach is consistent with the Department of Culture, Media and Sport and Sport England strategies and hence their commitment to the proposals.

#### Health care

44. The One Wiltshire Estate Partnership has identified the East Wing site as an opportunity to expand primary care capacity, and co-locate services, with the added benefit of contributing to the wider regeneration of Trowbridge town centre.
45. Through this partnership and with One Public Estate (OPE) funding, a project team is working with NHS Property Services and the Clinical Commissioning Group (CCG) to explore the option of a new primary care facility on the East Wing site. This forms part of the aspiration for a health and wellbeing centre which could co-locate GP and primary care facilities with fitness and leisure functions.

#### Housing

46. The Masterplan cites the potential for residential uses, of a range of types and tenures, as part of a mixed use development (see paragraph 8).
47. Relocating health care facilities from the current hospital site in turn would release additional land for potential residential development.
48. There is also potential to deliver housing, e.g. starter homes, on the land that is freed up through this co-ordinated approach.

#### Retail

49. The Masterplan identifies potential for small or large scale retail developments (see paragraph 8). This use could complement the adjacent leisure and retail developments at St Stephen's Place and Cradle Bridge and support the potential for linked trips.

#### Works to date

50. In July 2015, Cabinet Capital Assets Committee (CCAC) approved the Phase One demolition of the East Wing complex. This extended to all buildings on the site with the exception of the Chapmans Building. Contractors were appointed in November 2015 and the first phase of demolition is now complete.

51. The Chapmans Building was excluded at the time both in terms of cost and in light of the fact that services were utilising the building. Relocation of these services has since been agreed and the Chapmans Building became vacant in September 2016.
52. Whilst the Chapmans building is empty, there is a significant risk of breaking and entering and vandalism. The Council has a duty of care to secure the site and in particular take significant measures to prevent harm arising from the presence of asbestos in the building. Steps have been taken to secure the site and mitigate associated risks. This may involve keeping under review the need to remove the asbestos, without demolishing the building to mitigate this risk further.

### **Overview and Scrutiny Engagement**

53. Formal consultation with Overview and Scrutiny has not been undertaken at this stage whilst options have been under development.

### **Safeguarding Implications**

54. No direct safeguarding implications arising from this report have been identified. Should the eventual development of the site include new facilities to provide services for children, young people and vulnerable adults then safeguarding implications will need to be considered again with the engagement and support of the relevant service areas.

### **Public Health Implications**

55. The provision of new health care and leisure facilities on the East Wing site is among the opportunities being explored through the One Public Estate programme in conjunction with relevant partners. The proposed approach for delivery of the site will enable this option to be developed further.
56. A comprehensive redevelopment of the site, as envisaged by the Trowbridge Masterplan, will provide opportunities for more linked trips within the town centre and enable people to walk and cycle into and through the town rather than drive. This approach therefore presents new opportunities to improve both wider health and wellbeing and the environment.

### **Procurement Implications**

57. The contractual engagement of a development partner will require a procurement process (EU procurement, if over EU threshold – currently £4,322,012). This is linked to the ability of the Council to specify elements of the development and introduce protections to encourage delivery.
58. A range of delivery models including a direct contract, Joint Venture, etc., will be considered in appointing a suitable delivery partner.
59. The specific procurement route to be followed will be the subject of legal and procurement advice. Any procurement that arises will be undertaken in compliance with the Council's procurement rules and with the engagement and support of Legal Services and the Strategic Procurement Hub, who will deliver the procurement projects.

## Equalities Impact of the Proposal

60. There are no direct equalities implications at this stage as proposals are still under development. The intention is to undertake an equality analysis alongside the next stages of project development as a firm proposal is brought forward.

## Environmental and Climate Change Considerations

61. No direct environmental and climate change implications arising from this report have been identified. There will, however, be an impact from the eventual development of the site. It is envisaged that further consideration will be given to these issues as a development proposal for the site is refined and in particular matters such as ecology, flood risk, sustainable transport and sustainable energy will be addressed at the design and planning stage.

## Risk Assessment

62. There are a number of high level risks and issues which need to be managed and considered as part of refining the development opportunity for the site and the recommended partnership approach to delivery.
63. The table below captures the risks together with impacts and probability assessments and mitigation measures.

Risk / issue	Impact (0-4)	Prob (0-4)	Total	Mitigation
Failure to progress the project in a timely manner will impact on revenue budgets	2	1	2	- Delivery programme and OPE funding in place to support the preparation and marketing of the site
Delays in appointment of delivery partner due to level of interest and/or market conditions	2	2	4	- Demolition works have cleared the majority of the site to make it development ready - Soft market testing to inform selection of delivery route - Preliminary work to be undertaken to support development opportunity e.g. outline planning application
Risk of vandalism to void premises on site	1	2	2	- Majority of buildings demolished - Due diligence completed, hoardings and security measures in place to manage void premises

Risk / issue	Impact (0-4)	Prob (0-4)	Total	Mitigation
Challenge on procurement	3	1	3	- Specialist legal and procurement advice to be sought on the procurement/selection process to appoint a delivery partner
Site constraints impact on viability and/or determination of planning	2	2	4	- Pursue opportunity to acquire Rothermere House. - Site appraisal completed during feasibility work to identify key constraints. - Early engagement through pre application advice.
Complexity of aligning disposal/delivery programme across OPE partners	2	2	4	- Establish partner requirements. - Utilise OPE funds to facilitate strategic planning study for NHS CCG. - OPE round 4 bid to support delivery of Trowbridge development package.
Financial constraints for leisure elements	2	3	6	- Engagement with Sport England on potential funding sources. - Soft market testing potential for private investment.
A programme for disposal will need to address the impact on current staff car parking arrangements	1	1	1	- Initiate work to identify parking options and develop a parking strategy for the East Wing redevelopment.

## Financial Implications

64. Options development work and an initial financial appraisal on an indicative scheme has shown that there is potential for redevelopment to deliver positive land values depending on the mix of uses.
65. It is anticipated that a development partnership approach will enable the Council to share in the uplift in value from development of the site. The nature of the scheme and terms of any future agreement are to be determined and therefore it is not possible to predict what this may be at this stage. A Cabinet decision will be sought before entering into any such agreement.
66. The demolition of the East Wing complex has been treated as a Cost of Asset Disposal with the intention to recover the cost from site disposal. £0.346 million has been committed for Phase One demolition of East Wing.

67. Cost of Asset Disposal is capped at 4% of the Gross Capital Receipt. Therefore, in order to treat the committed costs for Phase One as a Cost of Asset Disposal a disposal route would need to be taken and a Capital Receipt generated of circa £8 million.
68. This paper recommends that the site is not disposed of through a straight land sale but that a development partner is engaged to enable delivery. The costs already committed for Demolition (£0.346 million) would have to be funded through the Council's general funding streams or added to the overall budget for the redevelopment for the site. It may also be possible to seek external funding for demolition.
69. All revenue costs associated with the East Wing complex were captured as savings and removed from the 2014/15 budget. Existing revenue spend remains a cost pressure, any continued revenue spend will also be unfunded and presents a cost pressure.
70. The revenue costs associated with keeping Chapmans in place and managing it as a 'void' premises are as follows:
- £37.5k per annum - non domestic rates
  - £500 per annum - maintain connection of essential utilities (water)
  - £5k per annum - security and inspections
  - £50k one off payment - perimeter hoardings
71. There is a need to identify funding and/or investment to enable some of the aspirations and regeneration objectives to be delivered. This will need to include revising the capital programme to afford this.
72. The One Public Estate programme will provide revenue grant funding of up to £185,000 for feasibility and related studies to support the objective of releasing public sector land in Trowbridge. It is the intention to use this funding to bring forward the work programme outlined in this paper for the East Wing site.
73. The financial implications for the potential acquisition of Rothermere House are set out in **Appendix B (not for publication)**.

### **Legal Implications**

74. Legal Services will be engaged in the next stage of project development to inform delivery and partnership options.
75. The main legal implications at this stage relate to the selection of an appropriate procurement route and selection process through which to engage a development partner.
76. This will be informed by consultation with Legal Services and the Strategic Procurement Hub and supplemented where necessary with additional specialist advice if required.

## Options Considered

77. Options development work has demonstrated that the East Wing site offers a number of potential mixed use redevelopment opportunities. The options tested range from proposals for large scale leisure-led development, through to residential-led schemes. Those options which incorporate an element of residential have indicated the most potential to deliver positive land values depending on the mix of uses. Further work will now be undertaken to refine the development opportunity for the site.
78. Locating a health and wellbeing centre within the mix of uses on the site remains a feasible opportunity, whilst the inclusion of this in the resultant development is currently dependent on a number of factors. The outcome of NHS CCG healthcare planning activities is a key factor and further work is to be concluded on health care requirements, site suitability and delivery timeframes before a definite proposal can be brought forward. The extent to which public leisure facilities could form part of any scheme requires funding issues to be addressed.
79. The option to dispose of the site through a straight land sale would compromise the ability of the Council to influence the development of a key opportunity site for the regeneration of Trowbridge town centre. It would also have a negative impact on the potential to deliver a comprehensive redevelopment of the site and facilitate the opportunities for public uses outlined above.

## Conclusions

80. This report provides an overview of the work undertaken to date on the redevelopment options for the East Wing site and recommends a programme of action in order to progress with delivery up to the selection of a development partner. The appointment of a development partner will be subject to Cabinet approval. Funding has been identified through the One Public Estate programme to progress the next stage of this work.

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**The following documents have been relied on in the preparation of this report:**

None

**Appendices**

- Appendix A - Feasibility model and indicative scheme (**not for publication**)
- Appendix B - Rothermere House proposal (**not for publication**)

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