

Wiltshire Council

Cabinet

3 November 2020

Subject: **The Maltings and Central Car Park, Salisbury –
Regeneration Update and River Park Scheme**

Cabinet Member: **Councillor Bridget Wayman, Cabinet Member for
Highways, Transport and Waste
Councillor Philip Whitehead, Leader of the Council and
Cabinet Member for Economic Development, Military-
Civilian Integration and Communications**

Key Decision: **Yes**

Executive Summary

Since the last report to cabinet on this subject made on 24 March 2020 (Item 42 “The Maltings – Phase 1 River Corridor Improvements”), the council has made significant progress in delivering its business plan objective to regenerate the Maltings and Central Car Park site in Salisbury, in line with the Masterplan endorsed by Strategic Planning Committee in June 2019.

As a consequence of this work, the council is now in a position to deliver on the first phase of the River Park (formerly referred to as “River Corridor Improvements”) scheme, which will

- a) Deliver significant flood risk mitigation for existing Salisbury residents and businesses in partnership with the Environment Agency.
- b) Enable redevelopment and regeneration to come forward on the Central Car Park and Maltings site and the wider city
- c) Enhance the local environment for residents, employees and visitors in the area, and encourage enhanced health and wellbeing outcomes including modal shift to more sustainable methods of transport

Proposal(s)

That cabinet agrees:

1. To increase the level of grant to be made available to the Environment Agency to a maximum of £6.06m after deduction of the council’s historic and ongoing costs towards the project, using Local Growth Fund grant approved by the Swindon and Wiltshire Local Enterprise Partnership. This funding is within the capital allocation which was approved by Full Council in November 2019.
2. To delegate authority to agree the terms of the Local Growth Fund grant agreement(s) with the Swindon and Wiltshire Local Enterprise

Partnership and the Environment Agency to the Director Highways and Environment in consultation with the Director of Finance and Procurement.

3. To agree undertake a public consultation on the River Park Masterplan in partnership with the Environment Agency to commence in November 2020 for a period of 7 weeks
4. To delegate to the Director of Highways and Environment authority to make changes to the consultation documents.
5. To agree the prerequisite changes in parking at the Maltings and Central Car Park during construction of the Phase 1 River Park scheme and following completion of the scheme.
6. To note the proposals being considered for provision of coach parking during construction of the Phase 1 River Park scheme.

Reason for Proposal(s)

- To enable redevelopment and regeneration to come forward on the Central Car Park and Maltings site and the wider city
- To allow future phases on the Maltings and Central Car Park site to come forward quickly following the major investment in flood attenuation and public realm being delivered by Environment Agency using an £18 million package of investment from the Environment Agency and Swindon and Wiltshire Local Enterprise Partnership
- To provide a positive response and deliver against the Council's recovery plans – both in response to the Novichok incident and latterly the impact of the Covid-19 crisis on Salisbury
- To ensure public and stakeholder engagement and support for the masterplan and the River Park.

Terence Herbert
Chief Executive Officer

Wiltshire Council

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Key Decision: Yes

Purpose of Report

1. To provide an update on the council's progress on the Regeneration of the Maltings and Central Car Park, Salisbury.
2. To request cabinet's approval to increase the amount of grant to be passed through to the Environment Agency ("EA") to deliver the River Park scheme to a maximum of £6.06 million after deduction of the council's historic and ongoing project and survey costs towards the scheme, in line with the Swindon and Wiltshire Local Enterprise Partnership's ("SWLEP") board approval to increase the Local Growth Funding allocated to it.
3. To delegate authority to agree the terms of the Local Growth Fund grant agreement(s) with the SWLEP and EA to the Director Highways and Environment in consultation with the Director of Finance and Procurement.
4. To delegate authority to the Director Highways and Environment to undertake a public consultation on the River Park Masterplan in partnership with the Environment Agency to commence in November 2020 for a period of 7 weeks and to make any necessary changes to the consultation documents in the interest of clarity and accuracy before they are finalised for publication.
5. To request cabinet's agreement to changes in parking provision at the Maltings and Central Car Park during construction of the Phase 1 River Park scheme, and following completion of the scheme, within the parameters set out in the report.
6. To provide an update on the proposals being considered for the provision of coach parking during construction of the Phase 1 River Park scheme.

Relevance to the Council's Business Plan

7. The regeneration of the Maltings and Central Car Park is a key objective in the council's business plan to create strong communities, grow the economy, and

protect vulnerable people. The proposals will also protect and enhance the natural environment to encourage sustainable tourism in the area.

8. Reducing the risk of flood is a key objective in helping people feel safe in the council's business plan to create safe communities and protect vulnerable people.

Background

9. This report builds on the previous report to cabinet as follows:
 - a. 24 March 2020 cabinet, where it was resolved that:
 - i. £1.9m be allocated to the Maltings Phase 1 River Corridor Improvements
 - ii. A grant of up to £2m be agreed as grant to the Environment Agency to deliver the Maltings Phase 1 River Corridor Improvements, using Local Growth Fund grant approved by the Swindon and Wiltshire Local Enterprise Partnership
 - iii. Cabinet noted that council officers would work collaboratively with the Environment Agency to secure additional funding required to deliver the whole scheme capital costs, the £1.9m allocation serving as a backstop reserve in case this could not be achieved from other available sources of funding
 - iv. Delegate authority to enter into contract with the Environment Agency to the Director Housing and Commercial, in consultation with the Director Highways and Environment and Director of Finance and Procurement
10. This report should be read in conjunction with the Maltings and Central Car Park Masterplan endorsed by Strategic Planning Committee in June 2019, the Salisbury Central Area Framework endorsed by Strategic Planning Committee in August 2020 and the Outline Business Case presented to the SWLEP in September 2020.

Main Considerations for the Council

11. Significant progress has been made since March 2020 on delivering regeneration proposals at the Maltings and Central Car Park, responding to the impacts that the Covid-19 pandemic have had on both implementation of the scheme and as part of the council's wider recovery plans for Salisbury both to recent challenges and the nerve agent attack of 2018.
12. The council has focussed on ensuring and reinforcing delivery of the Phase 1 of River Park (formerly referred to as "River Corridor Improvements") project, making sure that Local Growth Funding ("LGF") can be defrayed on the scheme prior to the end of its availability period at the end of March 2021. Combined with a significantly increased allocation from Flood Defence Grant in Aid ("FDGIA") which is being secured by the Environment Agency ("EA"), this will minimise the remaining funding to be found to deliver the whole life costs of the Phase 1 scheme. The council has been collaborating closely with the EA to achieve these outcomes. The project will significantly reduce flood risk to existing properties in Salisbury, enable new development to come forward on the

Maltings and Central Car Park site, and enhance the local environment for pedestrians, cyclists and visitors.

Public Consultation on River Park Master Plan

13. The next step for the River Park project is to conduct public consultation in accordance with the Council's adopted Statement of Community Involvement ("SCI"). This will ensure that the community has a genuine opportunity to influence the emerging River Park Masterplan. Once endorsed, the Masterplan will carry significantly more weight as a material planning consideration in future planning decisions. As part of the established partnership the consultation will be coordinated with the Environment Agency so that the preapplication consultation for Phase 1 planning application will be held as a joint event.
14. Due to current circumstances the consultation will be largely online, in accordance with the Council's SCI 'Temporary Arrangements', which detail the Council's approach to public consultation on planning matters in light of the Covid-19 pandemic. As well as online material, officers are also exploring the feasibility of using static displays (such as vinyl wraps) in empty shop frontages within the city centre.

Relocation of the coach park during construction

15. The coach park would require temporary relocation during construction of Phase 1 of the River Park to make space for a site compound. Following consultation with relevant officers it has been agreed that the existing coach park would be the most suitable location for the site compound. Various options have been considered for relocating the coach park during the works.
16. Through consultation with internal stakeholders the options have been narrowed down to the preferred option of relocating the coach park to the Central Car Park nearby. Appropriate facilities for passengers and drivers, and clear wayfinding routes to the city centre would be provided as part of the relocation. Operators and representatives from the tourism sector will be invited to comment during consultation and their requirements will be taken on board in the final design.
17. Following the Phase 1 River Park works the coach park will be improved and restored at its current location, in line with the Maltings and Central Car Park Masterplan.

Changes to parking spaces and potential loss of revenue

18. The Maltings and Central Car Park Masterplan, endorsed by Strategic Planning Committee, makes it clear that redevelopment of the site will mean some changes and reduction in existing parking facilities will be necessary. The implementation of Phase 1 of the River Park project will lead to impacts on parking during construction and following completion of the scheme.
19. The impacts during construction (December 2021 to December 2023) have been assessed against the **options** considered for relocation of the coach park. The options were developed with the aim to minimise the impact on parking and revenue income. The preferred option would result in a reduction of 347 car

parking spaces on the Central Car Park and Millstream Car Park during the construction period, although the exact number will vary throughout the construction period. These details will be developed by the contractor as part of their construction plan. This represents 37% of the total 926 car parking spaces across the long-stay component of the Central Car Park and Millstream car park.

20. Completion of the Phase 1 River Park works would result in a reduction of 154 car parking spaces on the Central Car Park and Millstream Car Park. This represents 17% of the total 926 car parking spaces across the site (excluding the further 219 spaces within the short stay car park and 586 on the Maltings shopping centre).
21. It should also be noted that the estimated reduction in parking is based on the best available information at this time and will be refined as the design is developed.
22. The financial implications of the reduction in long stay parking are set out under the Financial Implications section of this report, below.
23. In advance of the main construction works the Environment Agency will be undertaking ground investigations and surveys to inform their design, for which they will need to establish a small site compound with the Central Car Park from time to time. This is anticipated to have a negligible impact on parking availability and revenue.

Overview and Scrutiny Engagement

24. A briefing will be provided for the Chairman and Vice-chairman of Environment Select Committee on 27 October. The report will also be considered by the Wiltshire COVID-19 Response Task Group, which sits beneath the OS Management Committee, on 28 October. Comments from the relevant chairmen will be reported at the Cabinet meeting.

Safeguarding Implications

25. Delivery of the River Park scheme will bring about environmental improvements which will protect more vulnerable people from the risk of flood and improve the quality of life of children, young people and vulnerable adults in the city.

Public Health Implications

26. In a similar fashion, the River Park scheme will reduce flood risk for residents and workers in Salisbury, which otherwise would be a negative determinant on their health and wellbeing. The provision of an enhanced environment incorporating and improving upon the existing cycle and pedestrian route will further encourage shift to healthier modes of transport, and have beneficial impacts on physical and mental health generally, as well as contributing positively to air quality.

Procurement Implications

27. Support will be provided to the project to ensure any procurement activity arising will be delivered in line with Wiltshire Council Procurement Policy. The SPH are fully engaged in the Project.

Equalities Impact of the Proposal

28. The proposals do not give rise to any equalities impacts. The proposals will not result in any changes to the provision of disabled parking bays.

Environmental and Climate Change Considerations

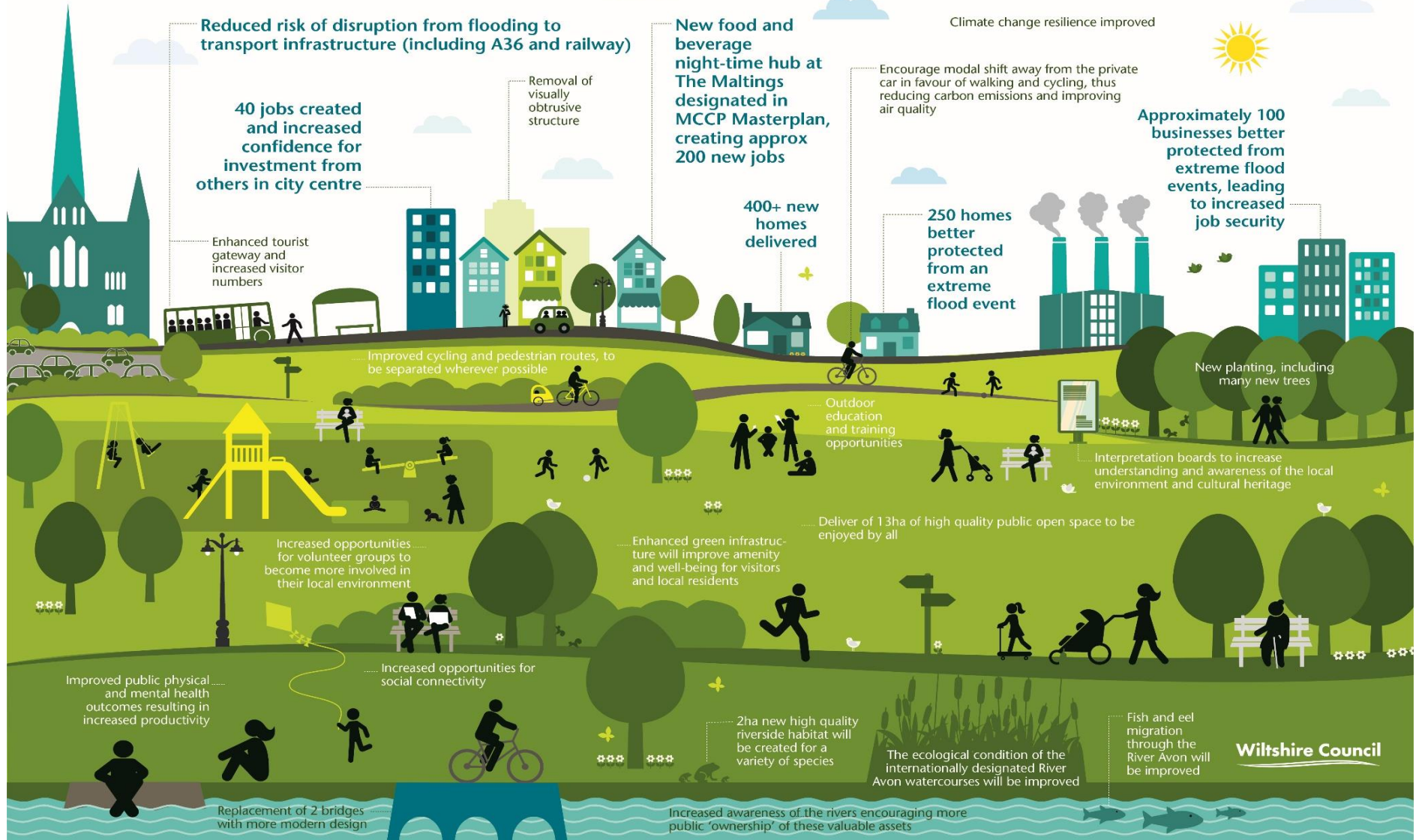
River Park

29. The emerging River Park Masterplan is set in the context of Wiltshire Council's declaration of a Climate Emergency. Proposals for the River Park have been designed to help support modal shift away from the private car, while also providing adaptation measures in response to the expected impacts of climate change through flood mitigation, aligning with the Wiltshire Core Strategy ("WCS") strategic priorities for tackling and adapting to climate change, and para 148 of the National Planning Policy Framework ("NPPF"). The proposals are also being drawn up to complement the parallel People Friendly Streets Salisbury project.
30. There is a high level of river flood risk in large parts of Salisbury city centre which is projected to increase due to climate change. Following the winter 2013/14 floods in Salisbury, the Environment Agency invested in new flood risk modelling for the city, which enabled a better understanding of how/when flooding is likely to occur across the city, including the Maltings and Central Car Park site. The Salisbury River Park project will deliver essential infrastructure, providing flood risk alleviation and environmental improvements on the Maltings and Central Car Park site to de-risk the site and enable higher value development.
31. In addition to providing critical flood risk alleviation, the Salisbury River Park also seeks to transform the River Avon and its margins through central Salisbury by enabling river corridor improvements that will naturalise the river channels, improve climate change resilience and remove barriers to fish passage, increase biodiversity, improve amenity value, provide health and well-being opportunities.

Salisbury River Park

Blueprint for future jointly promoted urban regeneration projects elsewhere in the region

91% of respondents to recent consultation in support of the River Park project



The Maltings and Central Car Park Masterplan

32. Wiltshire Council has a goal so seek to make the County carbon neutral by 2030 and planning applications will be supported by a statement clearly outlining the measures proposed to achieve sustainable development. Where possible and viable, development should be carbon neutral. The increase in green infrastructure and shift towards active, non-motorised transport and People Friendly Streets will also reduce carbon emissions.
33. New buildings will be designed to maximise energy efficiency and where design imperatives permit, buildings should be orientated to benefit from solar energy and passive solar gain.
34. Development of the site will incorporate onsite renewable energy generation that is appropriate to the setting. The inclusion of green roofs will be supported to maximise energy efficiency, slow down surface water runoff, and increase wildlife habitat area.

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

35. The Environment Agency will not receive the level of local commitment and funding for it to deliver Phase 1 of the River Park scheme as it has been configured with an accelerated timescale and enhanced environmental outputs. This will likely result in a significant delay in the delivery of flood risk mitigation in Salisbury, and a reduced scheme which will fail to unlock redevelopment of the Central Car Park site from a regeneration perspective. The opportunity to invest the Local Growth Fund allocation of £6.06 million in the Maltings and Central Car Park will also be lost because the deadline for defrayal is now too close to allow for alternative proposals to come forward.
36. It is important that public and stakeholder consultation is undertaken fully and in line with the council's Statement of Community Involvement (SCI). To comply with the Council's adopted SCI and to avoid the risk of any legal challenges in the future, it will be important to conduct a timely public consultation ahead of the any formal endorsement of the River Park Masterplan. This will provide businesses and members of the public to have early sight of the proposals and to have an opportunity to have their say in shaping the proposals. Due to the interdependencies between the masterplan, which sets the wider context for the scheme, and the detailed Phase 1 proposals which the EA are leading on, it is proposed that the public consultation on both elements of the project be carried out together. If this work is not undertaken the scheme will be put at risk from a planning perspective.

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

37. There are various delivery risks associated with implementing Phase 1 of the River Park scheme. While these risks will be in the principal ownership of the EA as the delivery agent of the scheme, the council will support the EA in mitigating their probability and impact under the auspices of the agreed Memorandum of Understanding between the two parties with respect to the project. Any obligations placed upon the council regarding the delivery of the project in its

grant funding agreement with the SWLEP will be passed through to the EA in the corresponding grant funding agreement between it and the council, such that the council is not placed under any financial risk as a consequence of providing the grant to the EA.

38. During delivery of the scheme there will be some disruption to coach parking as well as up to a 17% reduction in the number of long-stay car parking spaces on the Central Car Park. Risk of losing visitor numbers to the city as a consequence of this will be mitigated through early and ongoing consultation with coach operators and the tourism sector to ensure that their needs are well understood and provided for where it is appropriate. The reduction in the number of car parking spaces on the Central Car Park during the works is well mitigated through the number of car parking spaces available both at the car park itself and in the city generally as well as the availability of the Park and Ride services.
39. Funding agreement(s) between the EA and Wiltshire Council may potentially set out how financial risk will be shared between Wiltshire Council and the Environment Agency for Phase 1 of the River Park Scheme. The terms will be agreed in consultation with the Director of Finance and Procurement to limit the Council's exposure to financial risk as far as possible. Any significant change in risk or project costs will be reported to Cabinet if and as it may arise.

Financial Implications

Grant Funding Implications

40. The council has secured, working with the SWLEP, a Local Growth Fund grant of up to £6.06 million to deliver the River Park scheme. Prior to making grant(s) to the Environment Agency as capital contribution(s) to the scheme's delivery, the council will retain its historic and ongoing project and survey costs towards the project from the Local Growth Fund grant. As set out above, any obligations placed upon the council regarding the delivery of the project in its grant funding agreement with the SWLEP will be passed through to the EA in the corresponding grant funding agreement between it and the council, such that the council is not placed under any financial risk in that regard as a consequence of providing the grant to the EA.
41. As set out above, funding agreement(s) between Wiltshire Council and the EA may set out risk sharing provisions between the two parties in terms of project delivery. The terms will be agreed in consultation with the Director of Finance and Procurement to limit the Council's exposure to financial risk as far as possible. Any significant change in risk or project costs will be reported to Cabinet if and as it may arise.

Parking income implications

42. The average occupancy rate of the car park is 29% and displacement within the car park itself and to surrounding car parks is expected. The occupancy rate of 29% is evidenced by 2019/20 actual rates, which is outside of the period affected by the Novichok incident and is therefore a valid reference point. The temporary reduction of 37% and permanent reduction of 17% will be less than the 71% vacancy of the car park on average. It is therefore estimated that the financial

implications to the council of the reduction in long stay parking spaces will be negligible.

Legal Implications

43. Wiltshire Council's Legal Services have been engaged in the development of these proposals. The decisions being sought are in line with the Council's constitution and policy framework, including its Business Plan, and Maltings Masterplan.
44. The council will enter into two sets of Grant Agreements: one with the LEP, under which the funding is made available to the council, and the other with the Environment Agency (the "EA") under which the council will be passing the funding to the EA. The LEP agreement contains the standard State aid provisions requiring that the funding is State aid compliant. This requirement will be replicated in the EA agreement. It is confirmed that the state aid condition is met. There is also a general provision in both agreements for the funding to be used for the purpose for which it is provided, otherwise EA will be required to repay it to the council so that it can be clawed back by the LEP.

Workforce Implications

45. There are no workforce implications relating to these proposals.

Options Considered

Do Nothing

46. For the reasons set out under the Risks section on if the proposed decisions are not taken and the relevant work is not progressed, this option is rejected.

Grant the full amount of LGF allocation for the Maltings to the EA

47. This would leave the council unable to recover its own historic and ongoing costs towards delivery of the River Park scheme and therefore this option is rejected.

Relocation of the coach park during construction

48. As discussed above, a number of options have been considered to maintain provision of coach parking during the construction period.

Changes to parking and revenue income

49. As discussed above, a number of options have been considered to maintain provision of car parking and minimise the impact to council revenue income.

Conclusions

50. For the reasons set out in this report, it is recommended that cabinet agree to and approve the proposals made and that the relevant work should proceed.

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Appendices

None

Background Papers

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

Maltings and Central Car Park Masterplan June 2019
Salisbury Central Area Framework August 2020
River Park and Malting and Central Car Park Outline Business Case submission
to the SWLEP September 2020