

**Wiltshire Council**

**Cabinet**

**12 February 2013**

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**Subject: Salisbury Central Car Park and Maltings**

**Cabinet Member: Cllr Fleur de Rhé Philipe – Economic Development and Strategic Planning**

**Key Decision: No**

### **Executive Summary**

Following the earlier approvals by Cabinet in December 2010, and February 2012 leading to the appointment of Stanhope plc as the Council's 'Preferred Bidder' commercial negotiations have progressed to a stage where the Council is in a position to enter a Development Agreement for the regeneration of the Central Car Park and Maltings site.

Cabinet is asked to consider whether to approve entering into this agreement for a development scheme based upon commercial terms and in accordance with the Bid Evaluation criteria to be reported in private session.

### **Proposal**

That the Council enters into a Development Agreement with its Preferred Bidder for the regeneration of the Central Car Park and Maltings site, Salisbury **subject to the consideration of the confidential terms and conditions set out in the part II report.**

### **Reason for Proposal**

The Development Agreement will enable the parties to proceed with the delivery of a regeneration scheme on this site. It will allow the partners to proceed with further public consultation and the submission of a detailed planning application for proposals that meet the objectives of the South Wiltshire Core Strategy and Salisbury Vision.

**ALISTAIR CUNNINGHAM**  
Service Director – Economy and Regeneration

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### **Purpose of Report**

1. To seek authority for the Council to enter into a Development Agreement with its Preferred Bidder, Stanhope plc, for the regeneration of the Central Car Park and Maltings site.

### **Background**

2. In December 2010 Cabinet considered a report on the Salisbury Central Car Park and Maltings. It resolved (inter alia) to offer the site to the market via an Official Journal of the European Union (OJEU) procurement process, which was duly undertaken in accordance with the necessary regulations.
3. In February 2012 and following the OJEU procurement process, Cabinet resolved:
  - (i) To award 'Preferred Bidder' status to Stanhope plc, the shortlisted bidder with the highest score against the evaluation criteria.
  - (ii) That Stanhope plc embarks on an agreed public consultation Programme, at the earliest opportunity.
  - (iii) To delegate authority to the Director, Economy and Enterprise, in consultation with the Cabinet Member for Economic Development and Strategic Planning, to develop the scheme with the Preferred Bidder, including finalising terms of the Development Agreement, and bring it back to Cabinet for final approval in due course.
4. Since this time, officers have been working with the Preferred Bidder and the Council's commercial and legal advisers to refine the terms of this agreement.
5. The Preferred Bidder has also, at its own cost, commenced stakeholder and community consultation on the principles of the scheme concept outlined within its submission (at the Best and Final Offers Stage).

6. This consultation has included numerous meetings with, and presentations to, community, business and cultural stakeholders and has helped to inform the evolution of the scheme concept.
7. A public exhibition was held by Stanhope plc in Salisbury Guildhall on 9 and 11 December 2012. This was attended by over 1,000 people. At the exhibition Stanhope plc set out its guiding thoughts on an overall masterplan for the site and invited comments both at the exhibition itself and via postal feedback forms. The significant majority of feedback so far received has been supportive of the overall principles outlined. Comments were received on various issues which Stanhope plc and its team will be giving further consideration to in the lead up to the submission of a planning application planned later in the year.

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

8. The key principles of the commercial agreement, together with the financial implications, are set out in a separate report that will be found as a separate confidential **Part 2** report for consideration at this meeting of Cabinet.
9. Officers firmly believe that Stanhope plc's proposals meet the key objectives of the Council's Core Strategy and those of the Salisbury Vision which can very briefly be summarised as providing a quality sustainable development which will not have a negative impact on the existing city centre retail offer and will mitigate against the leakage to nearby competing town centres.
10. It is noted that the development proposals are based around a comprehensive masterplan, to be delivered in phases. The agreement will provide a first phase of development that meets the requirement of the Council (and aim of the Vision) for a 'step change' in the retail and leisure offer within Salisbury City Centre.
11. In the absence of a development on this site, the alternative of 'do nothing' will mean that the economic vitality of the city centre will diminish. There are already retail developments taking place or planned for Winchester and Southampton, which will increase those cities' attraction to shoppers.
12. This could lead to the existing city centre shops losing trade and deter new operators from investing in the city.
13. In addition, this is a sequentially preferable site for retail development in Salisbury that meets the retail needs of the city and will enhance the quality of the city centre offer.
14. If this site does not come forward, not only would the city centre lose significant amount of trade, it is anticipated that there would be a substantial negative impact on the amount of revenue the Council receives from the city's car parks and Park and Ride service.

## **Environmental and Climate Change Considerations**

15. There are no environmental or climate change considerations arising from the recommendation. However, the eventual development will have an impact and this will be considered at the planning application stage.

## **Equalities Impact of the Proposal**

16. There is no equalities impact arising from this report.

## **Risk Assessment**

17. The Development Agreement obliges the Council to grant Stanhope plc a long lease of the site once specific conditions have been achieved, such as the grant of planning consent for the development. It is considered that there are no major risks associated with entering the Development Agreement as it contains various provisions protecting the Council's interests.
18. There is a risk that the development does not proceed as planning consent is refused. Whilst any development will be subject to planning consent, Stanhope plc has an excellent track record in public consultation, working up planning applications that are sympathetic to Planning Policies and delivering development projects. Accordingly, this risk is considered to be low.

## **Financial Implications**

19. The financial implications are set out in the **Part 2** report.

## **Legal Implications**

20. The Council has followed the legal requirements of the European Procurement Regulations.
21. The Council will be entering into a Development Agreement with the Preferred Bidder.
22. In both matters the Council has been advised by consultant lawyers who are experts in these fields.

## **Options Considered**

23. The only alternative option is to 'do nothing' the disadvantages of which are explained earlier in this report.

## Conclusions

24. That Cabinet authorises the Council to enter into a Development Agreement with Stanhope plc for the regeneration of the Central Car Park and Maltings site further to the recommendations of the Cabinet decision in February 2012.

### **ALISTAIR CUNNINGHAM**

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

None

**Appendices:**

None