

Agenda item No. 16

Title:	Waterside Project
Portfolio holder:	Councillor Graham Payne - Leader Councillor Bill Parks - Economy
Reporting officer:	Ian Gallin, Corporate Director
Key decision:	Yes

Purpose

To provide Cabinet members with an up-to-date risk assessment of the Waterside Project.

To ensure that WWDC Cabinet members are aware of all the latest information that has just been considered by Wiltshire County Council Cabinet members prior to their decision to authorise their Council to go ahead with the Project and to sign the development agreement.

To enable WWDC Cabinet to provide any additional instructions to the Portfolio Holder and the designated officer both of whom already have delegated authority to sign the development agreement on behalf of West Wiltshire District Council.

Background

The Waterside Project was considered by West Wiltshire District Council Cabinet on 3 October 2007. It was considered by Wiltshire County Council Cabinet on 6 November 2007.

Both Cabinets have given authority for the Project to proceed and for their Council's to commit to the development agreement. In the case of West Wiltshire this has been delegated to the Portfolio Holder for Economy together with the Chief Executive or relevant Director.

Since consideration of the key issues by West Wiltshire District Council Cabinet a more detailed analysis of risks has been undertaken. This is confidential information contained within Part II of this report. The analysis does not suggest that there should be a change of approach nor that previous decisions should be revisited. The advice remains that it is appropriate to proceed with the Project although it is recognised that:

- Further planning permissions are required.
- A change in the economy could affect the viability of the project.
- As would be expected, with projects of this size and complexity, there are a range of legal and financial risks both to the contractor and the other parties to the

development agreement, namely West Wiltshire District Council and Wiltshire County Council.

Cabinet should also be aware that work has already started on a car parking order to release Court Street Car Park for use as part of this development and to put in place alternative car parking. This matter will be referred back to Cabinet in due course. It is not expected that any change of use of Court Street will take place before May 2008.

Key issues

Cabinet is invited to consider the detailed risk assessments contained in Part II of this report.

Effect on strategies and codes

This Project is a key part of the Transforming Trowbridge initiative which is the heart of the Council's priority for regeneration as set out in the Corporate Plan.

Risk management Implications

These are set out in detail in the Appendices that form part of the confidential section of this report.

The key risks are referred to above in the background section of this report. In addition there is a key risk for the regeneration of the town if the project does not go ahead. This project is at the heart of the regeneration agenda for Trowbridge.

The risk assessments suggest that the risks can be appropriately managed and mitigated. This conclusion reflects the extensive work that has been carried out to date to properly structure the project and to achieve both a creative design and an affordable mix of developments.

Finance and performance implications

This is a joint project involving the County Council and West Wiltshire District Council together with Modus who have been the preferred developer since April 2007.

West Wiltshire District Council has been actively involved in facilitating the development. Previous reports have dealt with the inclusion of District Council land within the scheme, notably Court Street Car Park.

Wiltshire County Council and West Wiltshire District Council have been sharing fees associated with the development. Those fees which are associated with alterations to County Council offices and new County facilities including the library have been, and will continue to be, borne exclusively by the County Council.

There are, in addition, fees associated with the facilitation of the development as a whole. A shared approach has been taken so that the District and County Council jointly work to

promote the project and the regeneration of the area. The County Council has looked hard at the affordability of the project and has made various changes to ensure that it remains achievable. A further contribution has been requested from the District Council to ensure that it is taking an appropriate level of responsibility for the general fees associated with the project.

It is suggested that a contribution of up to £100,000 is appropriate to ensure that the fees are shared equitably. The financing of this contribution would be dealt with as part of next year's budget. The Head of Finance will review the fees to ensure this contribution would represent value for money and also that the fees involved do not relate to County facilities. As part of this work the Head of Finance will consult with the Finance Portfolio Holder.

Legal and human rights implications

These have been discussed in detail in previous reports. Other issues are detailed in Part II of this report.

Next Steps

The timetable for the Project remains as follows:

Date	Milestone
End Oct/early Nov 2007	Submission of detailed application - Phase 1 Submission of outline application - Phase 2
March 2008	Resolution of detailed application - Phase 1 Pre-lettings with key tenants must be at least 50% complete
April 2008	Commence Phase 1 construction (library and offices)
Nov/Dec 2008	Resolution of detailed planning - Phase 2
January 2009	Commence sewer diversion preliminaries
May 2009	New lending library open
Mid August 2009	Commence work on Phase 2 (commercial leisure)
October 2010	Hotel, cinema and bowling open
December 2010	Residential complete

Recommendations

The Cabinet is recommended to:

- Note that the County Council has resolved to proceed with the Waterside Project and to enter into a development agreement with Modus.

- Approve the sum of up to £100,000 to be allocated as a contribution to outstanding fees for the Waterside Project and for the Chief Executive or relevant Director to be authorised to pay this amount to the County Council at an appropriate time as fees are incurred, subject to the Head of Finance, in consultation with the Finance Portfolio Holder, being satisfied that the fees are not attributable to County Council facilities and that the contribution represents value for money.
- Confirm the delegated authority for the Portfolio Holder for Economy together with the Chief Executive or relevant Director to sign the development agreement with Modus and the County Council on behalf of West Wiltshire District Council.

Key decision box

Statement of reason for key decision	The decision relates to a significant development and to the use of Council Land.
Options considered and rejected	A range of options have been considered through the UDF process and specifically through the development of the Waterside Project.
Date of implementation	Signing of the development agreement is forecast for November/December 2007.