

TELFORD & WREKIN COUNCIL

**CABINET - 18 SEPTEMBER 2014
COUNCIL - 27 NOVEMBER 2014**

REGENERATION OF HOLLINSWOOD CENTRE

REPORT OF ASSISTANT DIRECTOR: DEVELOPMENT, BUSINESS & EMPLOYMENT

LEAD CABINET MEMBER: CLLR SHAUN DAVIES

PART A – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

- 1.1 On 9 January 2014, Cabinet approved a £1m investment in the regeneration of Hollinswood local centre. Since then, officers have been working with members, partners, residents and Hollinswood & Randlay Parish Council to develop proposals and secure additional funding to supplement this investment and secure the delivery of a scheme which will transform this area. This report seeks approval for the regeneration proposals and the associated funding package.

2. RECOMMENDATIONS

- 2.1 That Cabinet notes and approves the regeneration proposals set out in the report.
- 2.2 That Cabinet delegates authority to the Assistant Director of Development, Business & Employment, in consultation with the Cabinet Member for Neighbourhood Services & Employment and Skills, to submit an application for planning permission in respect of the Scheme.
- 2.3 That Cabinet delegates authority to the Assistant Director of Development, Business & Employment, in consultation with the Cabinet Member for Neighbourhood Services & Employment and Skills, to:
- 2.3.1 Negotiate and finalise the terms for demolition, acquisition and disposal of land, buildings and third party interests required to deliver the Scheme;
 - 2.3.2 Take all steps necessary to facilitate the delivery of the Scheme;
- 2.4 That Cabinet delegates authority to the Assistant Director: Law, Democracy & People Services to take all steps necessary to facilitate land assembly and otherwise to deliver the Scheme including the execution of all documents and any agreements required to give effect to recommendations in this report.
- 2.5 That Cabinet approves the capital expenditure as detailed within this report and the required adjustments to the capital budget and allocations.
- 2.6 That Cabinet recommends to Council that Prudential Borrowing of £200,000 be approved if the capital receipts funding as detailed in this report is not secured.

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Priority Plan objective(s)?	
	Yes	The proposals within this report directly contribute towards the following priorities: • Protecting and supporting our vulnerable children and adults • Ensuring that neighbourhoods are safe, clean and well maintained • Regenerating those neighbourhoods in need and work to ensure that local people have access to suitable housing
	Will the proposals impact on specific groups of people?	
	Yes	The proposals contained within this report will impact on residents of Hollinswood, Adults with Learning Difficulties and businesses within Hollinswood
TARGET COMPLETION/DELIVERY DATE	Consultation and Design: August - October 2014 Planning: October – December 2014 Tender & Contractor Appointment: October - December 2014 Start on site: January - February 2015 Works complete: January 2016	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	The capital cost of the proposals is estimated at £2,405k which will be funded from existing capital programme approved allocations (£1,579k) and use of one off revenue reserves of £8k and capital receipts related to the proposed development of £718k. It is assumed that the Parish Council are able to identify funding to cover the costs associated with improvements to the community centre, currently estimated at £100k. Should all the capital receipts not be realised, then £200k of prudential funding is required to support the project. Full details are contained in Section 5 of this report.
LEGAL ISSUES	Yes	The Council has the power to acquire land as described in this report and also has the power to carry out the additional recommendations as described. All contracts awarded by the Council are subject to the Councils' Contract Procedure Rules and may also be subject to EU regulation. Should specific issues arise during the project legal advice will be given.
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	Risks and opportunities associated with this proposal are highlighted within the body of the report.
IMPACT ON SPECIFIC WARDS	Yes	The proposal is within The Nedge Ward.

PART B – ADDITIONAL INFORMATION

4. INFORMATION

Context

- 4.1 Hollinswood is located approximately 1km from Telford Town Centre, within the Nedge Ward. It is accessed via three Roads; Deercote, Downmead and Dale Acre Way which form the major perimeter. Three independent car parks serve the centre and a number of footpaths cross through and around the local centre.

- 4.2 The local centre comprises of a supermarket, three retail units (hot food takeaway, hairdresser's salon and pharmacy) with three flats situated above, a community centre, public house and doctor's surgery. The majority of facilities/services are owned and managed by Telford & Wrekin Council's Property Investment Portfolio (PIP). Two of the flats are privately owned as is the doctor's surgery. The Woodcutter Pub has recently been purchased by Telford & Wrekin Council as part of the proposed regeneration project. The first floor of the Community Centre is leased as a doctor's surgery and the ground floor is regularly hired by various community groups. The surrounding houses and flats are a mixture of privately rented, owner occupier and Wrekin Housing Trust leasehold properties. Appendix 1 shows the existing layout and land ownership.
- 4.3 Hollinswood Local Centre was constructed in the 1970's and consists of a rectangular shaped square of inward facing shops and community facilities. It is viewed by the local Parish as unattractive, outdated, unsafe, subject to vandalism, and is set back from the main roads and through routes. The Woodcutter Public House is also in a state of decline and some of its customers have contributed to the problems of the area. These factors discourage business and safe pedestrian thoroughfare. The physical environment of the centre makes it a focus for many of the social and community problems in the area with growing issues of crime and anti social behaviour. Photographs attached within Appendix 2 indicate the poor quality of the existing environment.
- 4.4 These concerns were evidenced in the 2011 'The Nedge Ward Profile' resident survey which collected views on the Borough and Ward as a place to live. The key issues from the survey were that:
- Resident's satisfaction about their local area was low, being ranked 21 out of 33 wards.
 - Only 50% of respondents felt the Council was making the area a better place to live.
- 4.5 In response to this, in January 2014, Cabinet approved a £1m investment in the regeneration of the local centre as part of the 'Pride in Your Community' programme which seeks to significantly improve residential and employment areas including district centres and borough towns. Over the past few months, officers have been working cooperatively with Hollinswood residents, public sector partners, and businesses to develop proposals which will deliver major improvements to the area and improve linkages to Telford Town Centre.

Regeneration Proposals

- 4.6 In this context, and drawing on the experience of recent regeneration schemes in other local centres within the borough where similar issues are experienced, regeneration proposals have been developed to reinvigorate the Hollinswood Local Centre, promote business opportunities, improve linkages to the Town Centre and enhance community facilities. The main components of the scheme include:
- Demolition of the existing pub, The Woodcutter
 - Demolition and replacement of the existing shops and residential units
 - Construction of a new Activity Hub for adults with learning difficulties
 - Enhancements to and extension of the community centre.
 - Residential development (optional)
 - Rationalisation of open space and parking, landscaping improvements and improved linkages to the Town Centre

These components are shown in plan in Appendix 3 and described in more detail below.

- 4.7 **Demolition of the Woodcutter Public House:** The Woodcutter Public House was recently purchased by the Council in a mortgagee sale to facilitate regeneration proposals. The tenant vacated the property at the end of August and planning approval has now been secured for demolition. Ecological surveys have revealed bat roosts and in order for them to relocate; the demolition has been programmed for November. Demolition will make way for the development of new shops and homes.
- 4.8 **Demolition of and replacement of existing shops and residential units:** The existing shops were built in the 1970s and are now tired and uninviting. There are 3 flats on the first floor, two of which are privately owned with the third being owned by Wrekin Housing Trust (WHT). The poor quality buildings are not befitting of a modern local centre and as such the proposals include for demolition of the shops and flats and the construction of a new two storey building on the site of the Woodcutter pub to provide new retail units and three new apartments above the supermarket. All tenants, both retail and residential, have confirmed they will look to relocate to the new building but it is critical that discussions are progressed with both owners and occupiers ahead of the wider consultation to ensure that those most directly affected by the proposals have an opportunity to hear about them as soon as possible. If residents do not want to move into the new flats they would be offered support through the re-housing process. Within the costings it is assumed that residential units are sold on a long lease to tenant of the supermarket. Costings also assume that retail units are fully fitted out to facilitate a seamless relocation of tenants.
- 4.9 **Activity Hub for ALD:** To complement the regeneration proposals the masterplan includes for the development of an Activity Hub which has been designed to cater for adults with learning difficulties. The Hub is designed to combine some of the services currently offered elsewhere such as The Bridges, Halesfield 22, Lakeside and The Severns and will add to the overall cohesion of the development. The inclusion of the building within the Hollinswood scheme will result in added reinvigoration and energy to the Town Centre. A separate report to cabinet outlines the business case behind this proposal.
- 4.10 **Enhancements to the Community Centre:** The existing Community Centre building is of similar architectural style to the surrounding residential area and shops being constructed of the same era. Condition surveys of the Centre have shown the building is in good health and has been maintained to a relatively high standard. Lighting upgrades were undertaken in 2003 and a lift was installed to provide disabled access to the first floor. A new boiler was also installed in 2012. Minor upgrades and some internal refurbishment works are proposed for the Community Centre. These works include renovation to the entrance and also the formation of additional storage and a meeting room internally. Some external revitalisation is also proposed in order for the building to blend with the new buildings. The Centre is leased by the Council to the Parish, and match funding will be sought from the Parish Council to support these works. Should the funding not be received, the project will be amended accordingly.
- 4.11 **Residential Development (option):** There is the option, subject to a more detailed feasibility, to include further residential development as shown in Appendix 3. This could deliver around seven two bedroom units close to the centre. It is likely that this would be delivered as part of a second phase if viability can be proven, and a further report will be brought to cabinet with an associated business case before this component of the development proceeds.
- 4.12 **Rationalisation of open space, parking and landscaping improvements:** The existing centre comprises of a series of disconnected open spaces and car parking. The proposals seek to rationalise this by creating a central parking area surrounded by new

development. High quality paving and planting will be introduced in key spaces, for example immediately outside of the community centre, to provide a focal point for community based activity and events.

- 4.13 The Council owns all land in the centre of Hollinswood that is required to enable the proposed re-development to take place, but does not own all assets involved. In addition there are long standing tenants in residence which are expected to relocate to the new flats above the new retail. However these negotiations are ongoing and as such delegated approval is sought to conclude negotiations with the landlord and tenants of these properties with a view to ideally relocating them within the new development.

Policy Context

- 4.14 The Central Telford Area Action Plan (CTAAP) 2011 provides a stimulus and guidance for new development in the town centre and surrounding areas of Central Park including Hollinswood. The spatial strategy seeks to change the way the town centre currently works and one of the key components of this plan is improving linkages to the Town Centre through regenerating Hollinswood and Malinslee. Two policies have been developed in order to support both the CTAAP and the spatial strategy which are consistent with regeneration proposed here:
- SA1 – The existing shopping area – Strategic Pedestrian/Cycle Link B from Hollinswood to the existing shopping area;
 - HO1 - Improved links to the town centre; Improvements to green spaces for children and young people, as identified in the Local Play Strategy (Policy CT19);
- 4.15 The proposals are in accordance with the Vision for the Hollinswood Character Area which seeks to; “support the ongoing regeneration of the area and encourage measures to achieve greater connectivity to the town centre for local people, by securing better physical links to the town centre.” The aim is to develop a high quality, sustainable, predominately residential environment in Hollinswood, with associated improved community facilities. This will include enhancing open spaces and improving links to the Town Centre.
- 4.16 The Pride in Your Community programme focuses on aspects of the environment that are important to residents, such as roads, litter, trees and areas of open space. It is also aimed at improving areas where businesses are located to support new and existing businesses. The Hollinswood scheme has been developed to meet the aims and objectives of the ‘Pride’ initiatives.

Social Regeneration

- 4.17 There are a number of opportunities to improve outcomes for residents in Hollinswood through the proposed regeneration scheme. The Index of Multiple Deprivation (IMD) 2010 indicates that the Hollinswood population live in an area ranked in the 10%-20% most deprived nationally, in terms of employment. Further, The Nedge has the worst youth female unemployment rate in the Borough of 41.1%. Though it is unlikely additional employment will be generated through this proposal, linkages to the Town Centre are to be improved, providing better access to emerging employment opportunities associated with Southwater and the extension of Telford Shopping Centre, both of which are expected to generate in excess of 2,000 new jobs. To coincide with the regeneration works it is proposed that additional community based support around employment and skills is introduced into the area in the form of a monthly Job Junction offering employability courses.

- 4.18 The Nedge Ward Profile 2011 identifies criminal damage and burglaries at rates which are higher than the Borough average. A primary aim of the regeneration is to 'open up' the Hollinswood Centre through the relocation of the retail area. This will create an open street scene with additional light which is intended to encourage consumer confidence and increase security. A CCTV upgrade will also provide greater surveillance and act as a deterrent.
- 4.19 Through the physical regeneration of Hollinswood local centre there is an opportunity to further build the capacity of the community. There is a high level of interest from the local Parish in improving the local area. Improvements to the community centre as well as introduction of the Activity Hub for ALD will provide an opportunity to further engage residents and to encourage greater involvement and ownership by the community in local resources. The physical regeneration work may also offer opportunities for employment and training for local people as it is likely local contractors will be involved in the build.

Community Engagement

- 4.20 To date, consultation has been predominantly with the affected tenants and the Parish Council. Wider community consultation will be undertaken during the first two weeks in September, with an open day held in the Community Centre on the 16th September. Consultation will also allow for the design to be fully developed through to a planning application in October. The scheme needs to fulfil the requirements and aspirations of the community as well as being commercially viable. It is therefore proposed that the engagement focus on refining the concept proposals and particularly:
- The detailed design, layout and enhancement of the new public realm and open space areas
 - Improving links between the Hollinswood centre and the town centre
 - Providing valued community assets
 - Maintaining a strong landscape structure which is characteristic of central Telford
 - Linking the proposal to the 'Pride in Your Community' investment initiative

Following Cabinet approval, the development team will continue to work closely with residents in order to deliver these improvements with an agreeable design. Consultation will be undertaken in accordance with the principles of the wider Pride programme.

Draft Timetable

- 4.21 The development is proposed to take place in 3 phases.
- Phase 1 (October 2014): Demolish the Woodcutter public house to make way for retail development.
 - Phase 2 (February 2015 – November 2015): Construct new retail block (supermarket, pharmacy, hair salon and hot food take away) with three flats above, Activity Hub, Community Centre improvements and associated landscaping.
 - Phase 3 (November 2015 to January 2016): Retail demolition and formation of the new car park.

5. FINANCE COMMENT

- 5.1 The indicative capital cost and sources of funding for the regeneration proposals in Hollinswood are summarised in the table below. As detailed in the report, the scheme will be delivered in conjunction with the development of the Activity Hub for ALD, the costs and funding for which are contained in a separate Cabinet Report.

	£'000s
Capital Cost	
Acquisition/decant and disturbance	375
Construction (including fees)	1,930
Community Centre works	<u>100</u>
	2,405
Sources of Funding	
Approved Capital Programme	
• Pride in Your Community	1,000
• Use of funding from the existing capital programme	401
○ Hadley	178
○ Asset Management Plan	8
Hollinswood Retail – Sinking Fund	100
Contribution from Parish Council	225
Capital Receipts – sale of newly constructed flats	293
Capital Receipts – balance of ALD property rationalisation	<u>200</u>
Capital Receipts – Hadley Local Centre	2,405

- 5.2 The approved capital programme includes a surplus of £401k originally identified for the regeneration of Hadley Local Centre. Through scheme development and competitive tendering it has been possible to reduce the scheme costs and deliver the regeneration proposals whilst realising a budgetary saving. This funding forms part of the original funding package agreed with Homes & Communities Agency (HCA) and if the Council are to retain this money, the HCA require this surplus funding to be reinvested in regeneration elsewhere in the borough. The HCA have approved the reallocation to Hollinswood in principal but this is subject to formal approval at the Housing, Economy & Regeneration Board diarised for early October 2014. Furthermore, the Hadley Local Centre project could realise capital receipts of circa £200k, although this figure could be higher dependant upon negotiations. It is therefore recommended that these receipts are also reprioritised to this programme with any required adjustments reported though the monitoring process. Should the capital receipts not be realised then it is requested that prudential borrowing of an equal amount be approved to support the project.
- 5.3 The approved capital programme includes £178,000 monies identified for general works and surveys, it is recommended that this funding be reprioritised to support the Hollinswood project.
- 5.4 Match funding will be sought from the Parish Council to support the enhancements identified for the Community Centre. Should the match funding not be secured, then the scope of works will be amended accordingly.
- 5.5 The total capital cost of the scheme includes the purchase of the existing retail flats and the sale of the newly constructed flats. The capital receipts figure in the table above includes £225k in respect of the sale of these flats, and £293,000 from the sale of corporate assets associated with the ALD property rationalisation element of the project to support the provision of the Activity Hub.

- 5.6 The new retail units will be managed by the Council's Property Investment Portfolio, the income from which will be used to supplement the income targets from the existing retail units.
- 5.7 Financial support will be provided throughout the project, to ensure the capital costs remain fully funded from within existing resources. Non funded elements will be revised or withdrawn from the programme as required.

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Appendix 1 – Existing Environment & Land Ownership Plan



Appendix 2 - Hollinswood Local Centre: Existing Retail and Community Facilities



Appendix 3 – Hollinswood Local Centre: Concept Proposal

Hollinswood Regeneration
Masterplan

