

Extraordinary Council



St Edmundsbury
BOROUGH COUNCIL

Title:	Agenda
Date:	Tuesday 19 April 2016
Time:	7.00 pm
Venue:	Conference Chamber West Suffolk House Western Way Bury St Edmunds IP33 3YU
Membership:	All Councillors You are hereby summoned to attend a meeting of the Council to transact the business on the agenda set out below.  Ian Gallin Chief Executive 11 April 2016
Interests – Declaration and Restriction on Participation:	Members are reminded of their responsibility to declare any disclosable pecuniary interest not entered in the Authority's register or local non pecuniary interest which they have in any item of business on the agenda (subject to the exception for sensitive information) and to leave the meeting prior to discussion and voting on an item in which they have a disclosable pecuniary interest.
Committee administrator:	Claire Skoyles Democratic Services Officer Tel: 01284 757176 Email: claire.skoyles@westsuffolk.gov.uk

Public Information



St Edmundsbury
BOROUGH COUNCIL

<p>Venue:</p>	<p>Conference Chamber West Suffolk House Western Way Bury St Edmunds Suffolk IP33 3YU</p>	<p>Tel: 01284 757176 Email: democratic.services@westsuffolk.gov.uk Web: www.stedmundsbury.gov.uk</p>
<p>Access to agenda and reports before the meeting:</p>	<p>Copies of the agenda and reports are open for public inspection at the above address at least five clear days before the meeting. They are also available to view on our website.</p>	
<p>Attendance at meetings:</p>	<p>The Borough Council actively welcomes members of the public and the press to attend its meetings and holds as many of its meetings as possible in public.</p>	
<p>Public questions:</p>	<p>Members of the public may ask questions of Members of the Cabinet or any Committee Chairman. As this is an extraordinary meeting of Council, 30 minutes will be set aside for persons in the public gallery who live or work in the Borough to ask questions, <u>but these must be limited to the business to be transacted at this meeting.</u></p> <p>A person who wishes to speak must register at least fifteen minutes before the time the meeting is scheduled to start. This can be done online by sending the request to democratic.services@westsuffolk.gov.uk or telephoning 01284 757176 or in person by telling the committee administrator present at the meeting.</p> <p>Written questions, detailing the full question to be asked, may be submitted by members of the public to the Service Manager (Legal) no later than 10.00 am on the previous working day to the extraordinary meeting of the Council. Email: democratic.services@westsuffolk.gov.uk Phone: 01284 757165</p>	
<p>Disabled access:</p>	<p>West Suffolk House has facilities for people with mobility impairments including a lift and wheelchair accessible WCs. However in the event of an emergency use of the lift is restricted for health and safety reasons.</p> <p>Visitor parking is at the car park at the front of the building and there are a number of accessible spaces.</p>	
<p>Induction loop:</p>	<p>An Induction loop is available for meetings held in the Conference Chamber.</p>	
<p>Recording of meetings:</p>	<p>The Council may record this meeting and permits members of the public and media to record or broadcast it as well (when the media and public are not lawfully excluded).</p> <p>Any member of the public who attends a meeting and objects to being filmed should advise the Committee Administrator who will instruct that they are not included in the filming.</p>	

Agenda

Procedural Matters

Page No

1. Apologies for Absence

To receive announcements (if any) from the officer advising the Mayor (including apologies for absence)

2. Declarations of Interests

Members are reminded of their responsibility to declare any pecuniary or local non pecuniary interest which they have in any item of business on the agenda **no later than when that item is reached** and, when appropriate, to leave the meeting prior to discussion and voting on the item.

Part 1 – Public

3. Public Participation

(Council Procedure Rules Section 6) Members of the public who live or work in the Borough are invited to put one question of not more than five minutes duration and **the question must be limited to the business to be transacted at this meeting.**

A person who wishes to speak must register at least fifteen minutes before the time the meeting is scheduled to start.*

(Note: The maximum time to be set aside for this item is 30 minutes, but if all questions are dealt with sooner, or if there are no questions, the Council will proceed to the next business.

*Each person may ask **one** question only. A total of **five minutes will be allowed for the question to be put and answered.** One further question will be allowed arising directly from the reply, **provided that the original time limit of five minutes is not exceeded.***

Written questions may be submitted by members of the public to the Service Manager (Legal) **no later than 10.00 am on Monday 18 April 2016.** The written notification should **detail the full question** to be asked at the meeting of the Council.)*

**For further information, see Public Information Sheet attached to this agenda.*

4. Referrals report of recommendations from Cabinet

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Report No: **COU/SE/16/006**

Referrals from Cabinet: 29 March 2016

1. Western Way, Bury St Edmunds Masterplan
(Revised)
Portfolio Holder: Cllr Alaric Pugh
2. Western Way, Bury St Edmunds Development Site,
Phase II (PSV II)
Portfolio Holder: Cllr Alaric Pugh

5. Exclusion of Press and Public

To consider whether the press and public should be excluded during the consideration of the following items because it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during the items, there would be disclosure to them of exempt categories of information as prescribed in Part 1 of Schedule 12A of the Local Government Act 1972, and indicated against each item and, in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Part 2 – Exempt

6. Exempt Appendix: Referrals report of recommendations from Cabinet (para 3)

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Exempt Appendix 1 to Report No: **COU/SE/16/006**

(This exempt appendix is to be considered in private under paragraph 3 of Schedule 12A of the Local Government Act 1972, as it contains information relating to the financial and business affairs of a particular organisation.)

Extraordinary Council



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BOROUGH COUNCIL

Title of Report:	Schedule of Referrals from Cabinet	
Report No:	COU/SE/16/006	
Report to and date:	Extraordinary Council	19 April 2016
Documents attached:	Exempt Appendix 1: Western Way, Bury St Edmunds Development Site, Phase II (PSV II) – commercially sensitive information	

(A) Referrals from Cabinet: 29 March 2016

1. Western Way, Bury St Edmunds Masterplan (Revised)

Portfolio Holder: Cllr Alaric Pugh

Report No:

[CAB/SE/16/016](#)

**(Sustainable
Development Working**

Party Report No:

[SDW/SE/16/003](#))

RECOMMENDED:

That the Masterplan for Western Way, as set out in Appendix A to Report No: SDW/SE/16/003, be adopted as non-statutory planning guidance.

- 1.1 In December 2006, the Council adopted a Masterplan for phased development of land at Western Way as a Public Service Village. The first phase of that development has been completed with the construction of West Suffolk House and the car park at Olding Road. The Masterplan excluded the NHS Logistics site in Olding Road as it was in separate ownership and not available for redevelopment at that time.
- 1.2 Recently, new owners of the NHS site expressed an interest in working with the Council and bringing forward their site for inclusion in the Masterplan. This opens up a new set of opportunities for the development of the area and has prompted a review of the adopted masterplan.
- 1.3 A revised Masterplan has now been prepared taking full account of the opportunities offered by the inclusion of the NHS site. The opportunities

now available exceed what was originally required for the creation of a Public Service Village (PSV), so although the concept of a PSV remains, the Masterplan has been retitled the Western Way Masterplan ([Appendix A](#) to Report No. SDW/SE/16/003 -Appendices to the draft Western Way Masterplan document are available via the following link:<http://www.westsuffolk.gov.uk/Council/Consultations/westernway.cfm>).

- 1.4 A formal consultation process was undertaken on the revised Masterplan. Details of all the replies, together with Officer comments and consequential changes to the Masterplan document were included in the Consultation Report attached as [Appendix B](#) to Report No: SDW/SE/16/003.
- 1.5 Those responding to the Masterplan had been generally supportive of the document and its key aims. However, some important issues were raised, some of which had resulted in changes or clarification within the document. These key issues were:
 - Residents of Newmarket Road were concerned about the scale and impact of any multi-decked car park, particularly during the winter months when the deciduous tree belt is least effective.
 - Concerns about traffic impact on the surrounding road network.
 - A desire to see a common architectural design theme.
- 1.6 The Sustainable Development Working Party and Cabinet support the content of the revised Masterplan. Particular attention has however, been drawn to the following issues, further details of which can be found in Cabinet Report No: CAB/SE/16/016:
 - (a) Sustainable Transport Initiatives;
 - (b) Increased traffic generation and transport infrastructure;
 - (c) Site Contamination;
 - (d) Skatepark; and
 - (e) Multi-decked car park.
- 1.7 Subject to the approval of this revised Masterplan, the Chairman of the Sustainable Development Working Party has also requested for the Working Party to be provided with regular updates on the Delivery Plan for this project.
- 1.8 The Cabinet and officers are satisfied that the Masterplan has been prepared in accordance with the Bury St Edmunds Vision 2031 Development Plan document and the Council's Protocol for preparing Masterplans.

2. Western Way, Bury St Edmunds Development Site, Phase II (PSV II)

Portfolio Holder: Cllr Alaric Pugh

Report No:
[CAB/SE/16/017](#)

RECOMMENDED:

That the following be approved:

- (1) the proposals the Council should pursue are the options that deliver a comprehensive development of the site identified by the adopted revised Western Way, Bury St Edmunds Masterplan which includes the DHL/NHS distribution centre and the Council-owned land;***
- (2) a budget of up to £100,000, to be funded from the Council's strategic priorities and medium term financial strategy reserve, is allocated to progress the proposal that best achieves the Council's objectives for the site to deliverability and design stage to enable a preferred option to be formulated and presented to Cabinet, as set out in Section 4 of Report No: CAB/SE/16/017; and***
- (3) following the Cabinet consideration of the preferred proposal a report be prepared outlining Cabinet's recommended development scheme for Council to give final approval for the delivery of phase II of the Western Way Development site.***

- 2.1 On 16 December 2014, the Council was reminded of the concept of a public service village (PSV) on the Olding Road Bury St Edmunds Site and how that was contained in a Masterplan approved in June 2006. West Suffolk House (WSH), being the first phase, had successfully achieved its objectives in accommodating staff from St Edmundsbury Borough Council (and now, as part of the joint service initiative, staff from Forest Heath District Council) and Suffolk County Council together with other public sector organisations. It has been estimated that at least £4m has been saved by St Edmundsbury Borough Council by relocating its office staff in West Suffolk House.
- 2.2 The improving economic environment and changes in ownership of the DHL (NHS Logistics) building has provided an opportunity for the Council to resurrect its 2006 plans to complete the second phase of a Public Service Village project on land located adjacent to West Suffolk House. The delivery of a comprehensive development of the site as envisaged by the revised and now adopted Masterplan will be influenced by the timing of the relocation of the Council's depot services, the status of the NHS logistics contract together with whether the Council has control of all the land needed for the development.

The Western Way Development site project, formerly known as PSV II, has two key components:

- (a) The review of the Western Way Masterplan to include the DHL (NHS Logistics) building and any changes in the economic environment since its adoption as planning guidance in 2006; and
- (b) The development of a phased approach to deliver the Council's aspirations for the site by entering into partnerships with key public and private sector stakeholders and an agreement with the new landowners of the DHL (NHS Logistics) building.

Masterplan

2.3 The consultation process of the Western Way Masterplan review has now been completed and following examination of the plan, together with the consultation responses, the Sustainable Development Working Party has and Cabinet has recommended to Council that it formally adopts the Western Way Masterplan (see above.) The indicative plan at the link below shows how the site could be developed and importantly, how it relates to the West Suffolk College Masterplan as well as Bury St Edmunds Leisure Centre and residential and commercial interests on the other boundaries of the site. The visuals used for the consultation process bring to life the Council's aspiration for the site and present a very exciting prospect.

<http://www.westsuffolk.gov.uk/Council/Consultations/westernway.cfm>

2.4 The new Masterplan builds upon the assumptions in the 2006 Masterplan. In particular, the 2006 document reflected St Edmundsbury Borough Council's then decision to relocate the depot services to another site on the basis that the existing site would not be fit for purpose for the delivery of, and the future demands on, the waste and street scene services. The proposal in the revised Masterplan still assumes the relocation of the Council's depot services. Alternative sites are being considered but a final decision on relocation will be made later in 2016. The project programme and phasing of the development of the Western Way site provides adequate time for the decision around the Depot relocation to a new site to be agreed. The return on investment and the objectives outlined in this report (see 2.8 below) adds further justification to the case for relocation plans.

2.5 Most of the expenditure so far on this project has been spent on the delivery of the Masterplan (£70,000). This has included indicative designs, project management, project assessments, traffic surveys and formal and informal consultations.

Development

2.6 On 28 March 2015 the Cabinet was keen to see the project progress and gave the Head of Planning and Growth, in consultation with the Leader of the Council, delegated authority to:

- negotiate heads of terms for a joint venture with the owners of the DHL, NHS distribution unit;
 - develop partnership agreements with potential occupiers of the Western Way Development site, as detailed in Section 1.1.7 of Report No: CAB/SE/15/023; and
 - report the result of these discussions to a future meeting of the Council.
- 2.7 Discussions with the different parties have continued and progress has been made. However during the commercial modelling of the project, it became clear that following an assessment of the feasibility of a number of different development models, together with a commercial appraisal of the options available to the Council, a different approach could be more appropriate than suggested at 2.6 above.
- 2.8 The commercial appraisal was commissioned to address the following objectives:
1. unlock the value of Council-held assets;
 2. support the Council's public sector village aspiration;
 3. strengthen relationships with other public sector organisations;
 4. drive efficiency, improve customer experience and public service provision; and
 5. maximise capital and revenue return to support future investment in public sector transformation.
- 2.9 The initial appraisal concluded that the most financially prudent option, if the project was progressed, was for the Council to effectively become the developer of the site. This then presents a number of development options taking account of the interests being expressed and land ownership requirements.
- 2.10 The Development Options for the Council were analysed over a 30-year period, giving a net present value of net levels of deficit (D) and surplus (S) (owing to commercial sensitivities, the actual amounts for each option, the methodology and assumptions are detailed in Exempt Appendix 1 to Report No: CAB/SE/16/017, and attached to this report for ease of reference). Three of the options outlined below give the Council a surplus:
1. Do nothing – cost of maintaining the site (D)
 2. Simply sell the land for private development (S)
 - 3a. Develop and include DHL land (S)
 - 3b. Develop and exclude DHL land (S)
- 2.11 The Borough Council has been clear from the outset, and particularly when agreeing the 2006 Masterplan, that the preferred option and ultimate aim for the site would be for a comprehensive development of the whole site including the DHL/NHS logistical building. The revised Masterplan addresses this aim.
- 2.12 A table showing a summary of the financial assessment of each option is set out in Exempt Appendix 1. In broad terms, what this shows is that Options 3a (with DHL building) and 3b (without DHL building) offer a

similar net financial benefit (in financial and risk terms only Option 3b is marginally better than 3a). When adding additional criteria, for example economies of scale, aesthetics of the finished development, Option 3a better achieves the Council's objectives for the scheme.

- 2.13 In addition, Option 3a assumes the Council is in control of all the land around WSH. This would reduce the risks inherent to partnership working and allow the Council to maintain the level/density of development, standards and quality of design and important stakeholder objectives which a solely commercially-driven development would not.
- 2.14 In the light of the above, Cabinet has recommended that officers continue to progress the option that best achieves the Council's objectives for the site to "delivery and design stage" to enable a preferred option to be formulated and presented to a future meeting of Cabinet.

Programme

- 2.15 The initial target for a start on site can only, at this stage, be estimated as being the beginning of 2018 but parts of the development that are not dependant on partnership arrangements, like the car park could be brought forward sooner. To help achieve this target, and subject to Cabinet approval, negotiations with the land owners of the DHL land will continue with a view to discussing alternative locations for the retention of the DHL (NHS) operation in Bury St Edmunds and possible acquisition of their interests. Other stakeholders will be asked to make formal commitments at the appropriate time in the formulation of the "delivery design stage" of the project.
- 2.16 To assist with those negotiations the Council will need to continue to work up the plan's designs and development programme together with the capital and revenue budgets for the scheme.
- 2.17 The ongoing financing of the scheme will be the subject of further analysis and will, if approved, start to appear in the relevant budget papers and profiled accordingly. Members are therefore invited to approve an additional budget of up to £100,000, funded from the delivery of the Council's strategic priorities and medium term financial strategy reserve, to take this project through to the deliverability and design stage. These monies will be used for design, legal, property and planning work. Undertaking this work will enable the Council to provide sufficient detail for parties/stakeholders who have shown an interest in being part of this exciting project and to make a formal commitment.
- 2.18 A comprehensive and fully costed scheme will then be brought forward for consideration by full Council February/April 2017.
- 2.19 A high level illustrative project time line is provided in Cabinet Report No: CAB/SE/16/017.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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