

Cabinet



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Public Service Village Phase II, Olding Road, Bury St Edmunds	
Report No:	CAB/SE/14/010 [to be completed by Democratic Services]	
Report to and date/s:	Cabinet	2 December 2014
	Council	16 December 2014
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Purpose of report:	<p>The Public Service Village concept was approved and adopted by the Council in 2006. Phase I has been successfully completed by the construction and occupation of West Suffolk House. The improving economic climate and the possible relocation of the Council's depot together with a change of ownership of the DHL logistics building, present an opportunity for the Council to progress Phase II of the project.</p> <p>To do this the Council will need to review the adopted Masterplan to bring it up to date with the changes since 2006 and to put in place resources to help deliver this ambitious plan. This report asks, therefore, for £100,000 towards the appointment of specialist recourses to help formulate the project and ensure that the Council obtains Best Consideration.</p>	

Recommendations:	<p>It is RECOMMENDED that, subject to the approval of full Council,</p> <p>(1) the Masterplan for the Public Service Village, Bury St Edmunds (2006) Masterplan, be reviewed; and</p> <p>(2) £100,000 be allocated from earmarked reserves (invest to save) to support the appointment of project management, legal and property expertise, as detailed in Section 1.4 of Report CAB/SE/14/010;.</p>
Key Decision: <i>(Check the appropriate box and delete all those that do not apply.)</i>	<p><i>Is this a Key Decision and, if so, under which definition?</i></p> <p>Yes, it is a Key Decision - <input type="checkbox"/></p> <p>No, it is not a Key Decision - <input checked="" type="checkbox"/></p>
<p><i>The key decision made as a result of this report will be published within 48 hours and cannot be actioned until seven working days have elapsed. This item is included on the Decisions Plan.</i></p>	
Consultation:	<p>Extensive consultation will be undertaken as part of the review of the Masterplan for this site. In addition, stakeholders will be incorporated into the project management governance structure.</p>
Alternative option(s):	<p>The Masterplan process in June 2006 will have sequentially looked at a variety of uses and alternative sites but found this site as the best place for the development of the Public Service Village.</p>
Implications:	
<p><i>Are there any financial implications? If yes, please give details</i></p>	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>The initial financial commitment is £100,000 to commission legal and property experts to properly assess the potential commitment going forward. This will include the revision of the Masterplan. There will be some internal establishment costs focused on leading and managing the different stages of the project. The commitment of internal resources can only be properly assessed once the initial commitments have been negotiated with other stakeholders have been agreed together with the result of agreed commitments in any development agreement.</p>
<p><i>Are there any staffing implications? If yes, please give details</i></p>	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <ul style="list-style-type: none"> • See above.

<i>Are there any legal and/or policy implications? If yes, please give details</i>		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Town and Country Planning Act for all the planning considerations. Localism Act 2011 to ensure the Council gets "best consideration"	
<i>Are there any equality implications? If yes, please give details</i>		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Diversity and Equality issues will be tested at each stage of the project and an Equality Impact Assessment will be part of the initial stages of revising the Masterplan.	
<i>Is there any other impact? If yes, please give details</i>		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> This project is linked to the plan for the relocation of the depot and therefore relies on the success of that project. The commitment of stakeholders to the project will be critical and the close association of this project with Bury St Edmunds Leisure Centre and the West Suffolk College.	
Risk/opportunity assessment:		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
Risk area	Inherent level of risk (before controls)	Controls	Residual risk (after controls)
Not appointing legal and property expertise or dedicated project Manager	High	Make appropriate professional appointments to protect the council's interests. Appoint a dedicated Project Manager.	Medium
Achieving best consideration.	High	Make appropriate professional appointments to protect the council's interests. Adopt strict project management principles to manage the project. At the appropriate stage appoint a project board.	Medium
Achieving project delivery with a start date of end of 2016	High	Gateway project management, appropriate level of resources at each stage of the project. Good project management and corporate commitment.	Medium
Ward(s) affected:		All Wards	
Background papers:		None	
Documents attached:		Appendix A: Masterplan (2006) for the Development of the Public Service Village, Bury St Edmunds.	

1. Key issues and reasons for recommendation(s)

1.1 Key issues

- 1.1.1 The Public Service Village is a linked cluster of buildings to house a number of Public Service users on a single site, closely related with the existing Leisure Centre and West Suffolk College, and near to upper schools.
- 1.1.2 The concept of a public service village was contained in a Masterplan approved in June 2006, as attached at Appendix A. The first phase of this ambitious project was the completion of West Suffolk House. West Suffolk House (WSH) has successfully achieved its objectives in accommodating staff from Bury St Edmundsbury Borough Council (and now both West Suffolk Councils) and Suffolk County Council together with other public sector organisations.
- 1.1.3 There is now a desire to progress the next phases of this project to include the rest of the site. This is now possible because of the plans to relocate the Council's depot and changes in ownership of the DHL (NHS Logistics) building. An officer project team has been formed to initiate the Phase II of the Public Service Village in partnership with the new owners of the NHS logistics building.
- 1.1.4 The project therefore has two key components:
 - (a) The review of the Masterplan to include the DHL Building and any changes in the economic environment since the adoption in 2006 and importantly provide planning certainty; and
 - (b) development phase to deliver the aspirations contained in the revised Masterplan by entering into partnership with key stakeholders and the new landowners of the DHL building.
- 1.1.5 The project has been scoped and, for the scheme to progress further and have a start on site by the second half of 2016, approval is sought for funds to appoint a dedicated project manager, legal and property consultants.

1.2 Masterplan

- 1.2.1 The existing Masterplan currently excluded the site operated by DHL, however it was now proposed that the DHL site be included in a revised Masterplan.
- 1.2.2 If the Council is to achieve the start on site deadline estimated to be the later part of 2016, the present Masterplan is required to be revised. This revision work requires to be started immediately and to this end Pick Everard have been identified to carry out this work. Pick Everard were the consultant team used to deliver the Masterplan in 2006 and were the architects involved in the WSH construction. It is therefore felt appropriate to utilise them for the revision work procured using a National Government framework to ensure value for money.
- 1.2.3 The project team have estimated that the work will be completed for adoption of the revised Masterplan by full Council in July 2015. This, however, did not preclude property and development interests being pursued in the interim; it

did however, mean that once the revised Masterplan had been adopted, a greater degree of planning certainty would be achieved.

1.3 **Delivery Stage**

- 1.3.1 The delivery of this project is both complex and ambitious and requires a number of agreements to put in place. The developer partners will require a development agreement outlining, in some detail, the critical time line, responsibilities, the detail of the individual development parcels and critically the financial commitments and return on investment.
- 1.3.2 The Council will also need to formally demonstrate Best Consideration for the whole project.

1.4 **Resources**

- 1.4.1 Phase II of the Public Service Village project will be a major investment opportunity and one of the largest developments in the Borough and a catalyst for other neighbouring sites. It is important that in recognising this appropriate resources are committed at this early stage.
- 1.4.2 The specialist expertise needed at this stage and moving forward is not freely available within the present establishment, as it wasn't with phase 1 of the project. To ensure, therefore, the Council gets Best Consideration through negotiation with the developer partner and achieve its objectives contained within the revised Masterplan, legal and property consultants need to be commissioned at the earliest opportunity.
- 1.4.3 This is an important stage of the project and therefore it is estimated that for this initial commission the project will need £100,000 allocated from earmarked reserves (invest to save) to appoint these key advisors together with a project manager to manage the scheme.
- 1.4.4 Time is critical no more so than to ensure this project is aligned with the proposed Depot move.
- 1.4.5 As part of the initial discussions officers have had meetings with potential partners who wish to occupy parts of the site. The Head of Housing has also identified the possibility for a strategic housing site and GVA Grimley is assessing this as part of their existing work programme on delivery of the Housing Strategy to see whether the site will attract Central Government grant.