



WNDC Board Report

Report by Executive Team

Paper Reference: 2012-03-07-01

Agenda Item: 7

20 March 2012

Subject: Northampton Town Centre Programme

Advice: That the Board note the progress that has been made on the Northampton Town Centre Programme.

Summary:

- Progress continues to be made on each of the projects in the Northampton Town Centre Programme.
- CLG have now confirmed approval to WNDC's proposed investment in the Grosvenor Greyfriars, Avon and Waterside projects.
- The Avon Nunn Mills CPO is on programme to be made in March.
- The Waterside CPO is on programme to be made in April.
- There has been positive engagement with National Grid with regard to the future of the Gas Holder site.

1. Background

- 1.1 This report sets out progress and the issues relating to the delivery of the key projects in Northampton Town Centre.
- 1.2 Work with our local authority partners has progressed through monthly Town Centre Coordination and Monitoring Group meetings, Directors' Group and Strategic Group meetings. This work is critical in finalising and securing agreement on the programme of delivery for the next three years and beyond. A joint Northampton Town Centre Programme is being prepared and it is intended that this will be agreed by the respective Cabinets/Board in May. This will be a significant milestone in that it will be the first joint programme to be agreed for Northampton Town Centre for many years.
- 1.3 Progress continues to be made on each of the projects in the Northampton town centre programme.

2. Avon Nunn Mills

- 2.1 Following the resolution of the Board on 13th December 2011 the focus of activity has been to progress the work required to make the Compulsory Purchase Order (CPO). Current key work streams are as follows:
 - Compulsory Purchase Order
 - Landowner Liaison
 - Nunn Mills Road
 - Development Parameters and Development Appraisal (Route to Market)
- 2.2 A CPO project team is in place comprising CBRE, SNR Denton and Persona Associates together with WNDC Officers. In addition Counsel has been appointed. Regular meetings of the team are taking place to ensure the efficient management and delivery of the CPO process.
- 2.3 At its meeting on the 13 December 2011 the Board agreed to progress a CPO for the comprehensive regeneration of the Avon Nunn Mills site. The Board agreed a draft CPO plan along with a draft Statement of Reasons.
- 2.4 The programme for the CPO has been revised and is as follows –
 - Land Referencing and Requisitions for Information – complete

- Draft Order, the Draft Order Map and Order Schedule submitted to National Unit for Land Acquisitions and Disposals (NULAD) for technical review – complete
- Making CPO – March 2012
- Objection period closes – April 2012
- Public Inquiry held – June/July 2012
- Secretary of State Decision – November 2012
- Possession – March 2013

2.5 The land referencing and the submission of the draft information to NULAD were completed on programme. The land referencing and requisitioning has not provided any further information regarding the land in unknown ownership. The next key milestone is the making of the CPO. This could not be progressed before confirmation from CLG regarding funding approval for the project. This was received on 9th March and so the CPO will be made during this month. Counsel has been instructed to act for the Corporation and a revised Statement of Reasons is in circulation following advice from Counsel.

2.6 The negotiations with landowners are being taken forward in the context of the proposed CPO. These negotiations are being led by CBRE. The principle landowners and the statutory undertakers with interests in the site have been engaged. Meetings have been held with Avon Cosmetics Taylor Wimpey and Persimmon Homes, Northampton Borough Council and Western Power Distribution.

2.7 The development parameters have been progressed in conjunction with Northampton Borough Council. Work has been ongoing with CBRE to ensure that the development parameters being developed are tested from a market perspective.

2.8 Initial advice had been received from SNR Denton on the procurement of a development partner. The procurement process will start at the end of April with notices placed in the Official Journal of the European Union.

2.9 With regard to the Ransome Road site the Homes and Communities Agency is in the process of completing the procurement of a development partner. The early development of the Ransome Road site has been facilitated by the Ransome Road/London Road junction improvement funded by WNDC.

3. Castle Station

- 3.1 The key objective for the project remains securing funding to deliver the station redevelopment. High level engagement with Government has continued on the scheme which is a key part of the Waterside Enterprise Zone. This has included a meeting with Justin Greening MP, Secretary of State for Transport, on 8th March, which was arranged by Brian Binley MP attended accompanied by Cllr David Mackintosh, John Markham and Peter Mawson.
- 3.2 There is now a renewed focus by WNDC and local partners on exploring alternative funding options and securing further commitment, including financial, from key Government departments, Network Rail and local partners. The County Council have been particularly active in wanting to support this work.
- 3.3 At the last meeting of the Board it was reported that the current Network Rail cost estimate had substantial contingency built into it and that significant reductions could be made to the estimate without affecting the design, scale or impact on the designed scheme. This has been confirmed by independent cost consultants and through market testing with contractors. A value engineering workshop was arranged by the County Council and held on 2nd March. The workshop was led by Network Rail and attended by NCC, WNDC and the original architects, BDP. A series of potential savings were identified that could reduce the cost of delivery without affecting the integrity of the design, scale and impact of the new station.

4. Grosvenor Greyfriars

- 4.1 The redevelopment and extension of the Grosvenor Centre has been a long standing aspiration for the regeneration of Northampton town centre. The project has been led by Northampton Borough Council (NBC), who has been working/negotiating with Legal & General (L&G), the owners of the existing Grosvenor Centre retail development, to secure its redevelopment.
- 4.2 WNDC is represented on the Grosvenor Centre Project Board and Project Working Group which meet on a monthly basis and also lead and manage the planning team determining the applications for the Bus Interchange and Grosvenor Project.
- 4.3 The proposed Grosvenor Centre development comprises a new-build extension incorporating 57 new retail units, including at least one anchor store of no more than

- 11000m², additional large stores and a range of retail/ restaurant units. In total this amounts to some 40,000 m² of retail and restaurant floorspace. In addition the scheme will provide up to 2980 car parking spaces and sites for a hotel, office, leisure and residential development.
- 4.4 The scheme requires alterations to around 17 of the existing retail units to create linkages between the existing retail areas and the new development.
- 4.5 Discussions are underway with the applicant to agree a programme for the submission and determination of a planning application. It is currently anticipated that the application will be submitted in November 2012 with a target determination date of May 2013.
- 4.6 The delivery of an extended, exciting, well designed retail offer will have a significant transformational effect on Northampton. The funding agreed demonstrates that the Grosvenor Centre project is a priority for WNDC.
- 4.7 As previously reported a new bus interchange facility is to be provided on the site of the former Fishmarket. The WNDC agreed funding will contribute to the construction costs for the new facility. The remainder of the costs and any cost overruns will be funded by NBC.
- 4.8 English Heritage (EH) have confirmed that the Fishmarket building is not of sufficient quality to justify formal listing.
- 4.9 The latest programme for the Bus Interchange anticipates the following:
- Submission of applications for Conservation Area Consent and full Planning Permission April 2012
 - Planning Permission and Conservation Area Consent anticipated July 2012
 - Demolition commissioning September 2012 (subject to planning)
 - Start on site November 2012
 - Completion November 2013
- 4.10 Northampton Borough Council, who owns the land on which the new facility will be developed, is in the process of securing vacant possession of the site. This requires the relocation of The Northampton Arts Collective. It is now agreed that they will move to a Northamptonshire County Council (NCC) property at 9 Guildhall Road, closer to the cultural quarter of Northampton.

5. Project Angel

- 5.1 Project Angel would aim to re-accommodate Northamptonshire County Council (NCC) staff and partner organisations from a range of satellite office locations to a new purpose built office development in Angel Street, in Northampton town centre.
- 5.2 As well as providing high quality institutional office space for the public sector, it is intended that the scheme will also include an element of commercial office space for letting in the open market and ancillary retail uses.
- 5.3 The scheme would contribute to the regeneration of Northampton town centre by retaining and bringing staff into the central location. It would also support the ongoing retention of the existing heritage assets enshrined within the fabric of County Hall to be used in connection with the County Council's democratic functions.
- 5.4 The heritage assessment and the associated market review of potential future uses for the existing campus is nearing completion. This is being supported financially by WNDC through the provision of professional market advice by CBRE.
- 5.5 A strategic review of the masterplan, highways and car parking is ongoing. A highways solution for these sites and linkage with proposed improvements to Bridge Street has been proposed. The County Council has bid for £1.0m of Growing Places funding via Northamptonshire Enterprise Partnership.
- 5.6 It is hoped that the Outline Business Case can be taken to NCC Cabinet for consideration in May this year.

6. St John's

- 6.1 The proposed St John's development comprises two sites within Northampton town centre – St John's surface car park and Albion Place surface car park. The project is led by Northampton Borough Council (NBC) with WNDC represented on the project board.
- 6.2 The St John's surface car park is in the process of being sold to the University of Northampton (UoN) for student accommodation. A planning application for 464 bedrooms of accommodation was submitted to the planning authority (NBC) on 30th January 2012.

6.3 NBC is in negotiation with regard to the Albion Place car park for the development of hotel and associated facilities. It is anticipated that a planning application will be submitted in May this year.

7. Waterside

7.1 The report on Waterside below provides an update on the proposed Innovation Centre and an update on discussions with National Grid

7.2 As has been the case throughout the development of this project, the University remain supportive of the scheme though mindful of taking on an ongoing financial commitment ahead of fully exploring the costs and benefits of the project. Consequently, WNDC has spent the past few months working up operational and construction options, including exploring private sector partner opportunities. That work has been developed into an options and sensitivities paper which has been presented to the University's Executive Team.

7.3 On the 15th February the WNDC Board authorised the making of a CPO for St Peters Waterside. This will enable WNDC to acquire the Capital & Provident site and to cleanse title of a number of other smaller areas of land, typically highway, highway verge and river bank where underlying ownership is unknown.

7.4 The CPO will give WNDC ownership and control of all land interests in the Waterside area from Black Lion Hill to Tanner Street, referred to as St Peters West. This will enable WNDC to promote a first phase of development within this area to complement the construction of planned Innovation Centre.

7.5 A CPO project team is now in place comprising CBRE (commercial property advice), Wragge's (legal advice) and Persona Associates (land referencing) together with WNDC officers. Counsel has not been appointed at this stage. Regular meetings of the team are taking place to ensure the efficient management and delivery of the CPO process.

7.6 Land referencing has been updated along with the draft CPO Plan and Schedules. Formal Requisition Notices were issued to all those with an interest in land included in the CPO on 2nd March. The draft Statement of Reasons has been issued by Wragge's and this document will be progressed during March. This work is on schedule for WNDC to make the CPO in early April in line with the overall programme.

- 7.7 In parallel with the planned CPO process, work is progressing that will lead to the redevelopment of St Peters West.
- 7.8 WNDC's framework property advisor CBRE will prepare a Development Strategy and Route to Market report for the area including soft market testing which will take into account the development constraints and opportunities including the impact of the PHADI zones associated with the gas holders. This work will help inform and set out the stages for the procurement of a development partner for the site which is crucial to help demonstrate the deliverability of the scheme for which the CPO is being progressed.
- 7.9 St Peters Waterside is located within the Enterprise Zone and WNDC is supporting NBC in preparing a Local Development Order (LDO) for the St Peters West part of the site. Masterplan options for this area will be developed further, taking into account known site constraints, financial viability and soft market testing. Key statutory consultees will be involved at an early stage and technical assessments, normally associated with an outline planning application, will be undertaken for a preferred option. The final masterplan will incorporate requirements from the technical assessments with final development parameters agreed by WNDC and NBC for inclusion within the LDO.
- 7.10 This work will form a key part of the development brief for the site and will take into account recent occupier/developer interest in the northern part of the site. The work will consider development options with and without the presence of the gas holders and associated PHADI zone restrictions. The LDO will significantly reduce planning risk and give more certainty to potential development partners.
- 7.11 A further, very positive, meeting was held with National Grid this month. Whilst no formal decision has been made with respect to the decommissioning of operational assets, National Grid did indicate that a decision is expected by April/May this year. National Grid has sought confirmation that the proposed CPO will not be acquired in order to secure a negotiating position. WNDC has confirmed this with National Grid and on this basis National Grid has confirmed its support for the proposed CPO.

7.12 National Grid has appointed Savills (property advisors) to review the potential options for the development of its sites. Planning consultants have also been appointed.

7.13 Meetings took place with Carlsberg during the month to update them on WNDC's plans for the proposed CPO.

7.14 Business Cases were submitted to CLG's Investment Sub-Committee (ISC) for funding approval to progress the Innovation Centre and St Peters Waterside CPO, with funding approval confirmed on 9th March 2012.

8. Conclusion

8.1 The programme for Northampton Town Centre is large and complex. The successful delivery of the programme has the potential to transform Northampton Town Centre, creating significant new investment and new jobs. Progress continues to be made on each of the five key projects. The Board is asked to note the progress that is being made.