

Management Committee

5th February 2019

Former WPBC offices, North Quay, Weymouth.

Appendix 3-Not for publication by virtue of paragraph 3 of Schedule 12A, Part 1 of The Local Government Act 1972, as amended. The public interest in maintaining the exemption outweighs the public interest in disclosing it.

For Decision

Briefholder

Cllr Jeff Cant, Assets and Finance Briefholder
Cllr Gill Taylor, Housing Briefholder

Senior Leadership Team Contact:

S Caundle, Assistant Chief Executive

Report Author:

D.Brown, Head of Assets & Infrastructure.

Statutory Authority

Sections 123 and 111 Local Government Act 1972

Purpose of Report

- 1 To allow members to consider and comment on a series of site layouts and scheme mixes that Magna Housing Association (Magna) have utilised to consult on with the public, as per Appendix 1
- 2 To review the initial schemes utilised by Magna and to consider the public response to these, as per Appendix 2
- 3 To agree support to an appropriate initial scheme design so as to allow a more detailed design and planning application to then be submitted by Magna.
- 4 To agree as set out in confidential Appendix 3 the requirements of Homes England grant and that this is signed by 31st March 2019.
- 5 To agree to sign a joint venture agreement with Magna Housing Association but acknowledging that this may follow the Homes England grant.

Recommendations

- 6 Members agree to:-
 - i) Support one of the initial scheme designs in Appendix 1 as is presented or with additional comment.
 - ii) Proceed to enter into the grant agreement with Homes England accepting that this may be in advance of the signing of the joint venture agreement between Magna and the Council.

- iii) Enter into the joint venture agreement with Magna Housing Association
- iv) Agree to delegate to the Head of Paid Services or any successor level officer authority to conclude the necessary legal agreements and also to procure the works identified as part of the Homes England grant agreement.
- v) Seek support from the Shadow Executive Dorset Council to the above recommendations.

REASON FOR DECISION

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- i) To enable members to progress their strategy for the disposal and re-development of North Quay site, taking into account comment received from the public consultation.
- ii) To secure the Homes England grant but acknowledging that in doing so there is potentially some risk in not having a simultaneously signed joint venture agreement with Magna.
- iii) To thus allowing demolition of the current building and permit a redevelopment of the site with an appropriate range of good quality affordable and other residential units, plus other facilities suitable for the location.
- iv) To ensure continuity of the project to seek support from Shadow Dorset Council since Dorset Council will be the body that will be taking forward this redevelopment post 31st March 2019.

BACKGROUND

- 8 Members received a report to Management Committee on the 11th December 2018 considering a range of options for the progression and redevelopment of the North Quay site.
- 9 These options included a stand-alone council partnership regeneration offering, and alternatives including agreeing to market the site on an outright site disposal either conditionally or unconditionally, and subject to planning or not, with all these being to the open market. It was identified that there was still market interest in the site from a variety of potential purchasers and there was the opportunity to still achieve a significant capital receipt with a sale on this basis. Members acknowledged this but determined that none of these options delivered an optimum solution for their wider aspirations.
- 10 Members then considered offers from a range of Registered Social Landlords/Housing Associations, all of whom had been invited to submit bids and initial scheme proposals. Of those invited to bid a number chose not to do so but three bids were received and these were considered by members. It was agreed that the council would work with Magna Housing Association to take forward a joint venture scheme with them based upon their offer. This approach was supported by the Shadow Executive Dorset Council.

- 11 In addition members also noted that discussions had been ongoing with Homes England, and that there was the potential for a grant agreement up to circa £3m to fund abnormal site costs but that there is a Homes England requirement that any grant agreement had to be signed by 31st March 2019.

CURRENT POSITION

Homes England Grant

- 12 The Homes England grant can greatly assist the site redevelopment but the grant agreement can only be with the council and so the delivery elements etc. need to be considered and accepted by members.
- 13 The grant agreement is a lengthy document with a lot of conditionality and the details and implications of this are considered in more detail in confidential Appendix 3.

Magna Housing Association

- 14 A series of initial site layout options have been produced and these are included in Appendix 1. These provided a range of different site layout schemes, with a mix of different components which were used as a base for the public consultations. In addition a range of questions were asked, and these and the overall public responses are indicated in Appendix 2. These are from not only the public who attended in person, but also who responded on line etc.
- 15 Magna will be developing their plans using their expertise and following significant public consultation, along with member comment, with the aim of submitting a planning application, at their own risk and cost but in accordance with their initial offer as developed and planning guidance.
- 16 In parallel to site layout consultations meetings have also taken place to consider the basis of the intended joint venture which will be used to bring forward the site. The details of this is considered in more detail in confidential Appendix 3.
- 17 As part of this the Council will be responsible for procuring the demolition of the existing Building on the site, site clearance and enabling works in accordance with its procurement rules and if agreed by members the council will be in receipt of Homes England grant funding to deliver these works. Timing of the enabling works will be driven by the Council's receipt of Homes England grant.

Implications

Financial

- 18 Interim funding is being utilised from existing budgets to allow an appropriate review of the Homes England grant agreement, and to assist with progression of necessary legal and other planning initial investigations.

Legal Issues

19 As indicated in confidential Appendix 3

Equalities

20 None directly arising from this report.

Environmental

21 None directly arising from this report.

Economic Development

22 Utilising the Homes England grant funds that are potentially available will enable this brownfield site to be brought into beneficial use.

Risk Management (including Health & Safety)

23 This report addresses the risks associated with the current offer in relation to the North Quay disposal.

Human Resources

24 None directly arising from this report.

Consultation and Engagement

25 None directly arising from this report.

Appendices

Appendix 1 – Proposed Scheme Options

Appendix 2 – Summary of Consultation

Appendix 3 – Confidential Appendix

Background Papers

11th December 2018 Management Committee Report

Footnote

Issues relating to financial, environmental, economic and equalities implications have been considered and any information relevant to the decision is included within the report.

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