

CABINET

**COUNCILLOR MARTIN TENNANT
MAJOR PROJECTS AND PROPERTY
PORTFOLIO HOLDER**

15th MARCH 2022

REPORT NO. REG2202

KEY DECISION: YES

**REGENERATING RUSHMOOR PROGRAMME -
THE GALLERIES PROGRESS UPDATE & NEXT STEPS**

SUMMARY AND RECOMMENDATIONS:

SUMMARY:

This report provides an update on The Galleries regeneration scheme and seeks approval, in principle, for officers to explore a land transfer for the purposes of public car park reprovision on the site of the former Conservative Club. This represents a departure from the previous position where it was the intention for a new car park to be provided on a long lease basis within The Galleries scheme associated with planning application 20/00508/FULPP.

RECOMMENDATION:

That Cabinet:

1. Agree, in principle, to the disposal of the existing High Street Multi-Storey Car Park freehold to the developer of The Galleries scheme in return for the transfer of the freehold interest of the former Conservative Club site at Little Wellington Street, Aldershot to the Council on the basis that a new, purpose-built public car park of at least 250 spaces will be constructed by the developer prior to handover, subject to planning permission being granted.
2. Note that the above transaction is subject to due diligence with further reports to be presented to Cabinet for consideration in due course.

1. INTRODUCTION

- 1.1. The purpose of this report is to provide an update on The Galleries regeneration scheme and seek approval, in principle, for officers to explore a land transfer with the developer (Shaviram) for the purposes of public car park reprovision on the site of the former Conservative Club. This represents

a departure from the previous position where it was the intention for a new car park to be provided within The Galleries scheme associated with planning application 20/00508/FULPP.

- 1.2. This alternative approach has been presented to the Council for consideration following the successful acquisition of the former Conservative Club site by Shaviram in February 2022.

2. BACKGROUND

- 2.1. Cabinet considered a report (LEG1616) in December 2016, approving in principle the Council disposing of its land interest in the High Street Multi-Storey Car Park to Shaviram Aldershot Ltd to facilitate the redevelopment of The Galleries shopping centre.
- 2.2. In 2018 there were three further reports – CD1801 where an additional budget of £10,000 was agreed to meet professional advice associated with the transfer; CEX1804 which supported the public consultation on The Galleries scheme taking place and noted that this and the subsequent submission of the planning application by Shaviram Aldershot Ltd would include the site of the Council owned High Street Multi-Storey Car Park and take place in advance of any legal agreement aligned to land transfer being finalised; and CD1802 which covered off the implications of the successful HIF funding.
- 2.3. A final report (RP1909) was received by Cabinet in May 2019 approving the disposal of the Council's legal interest in the existing High Street Multi-Storey Car Park, Aldershot and the acquisition of a long lease of a new 250 space car park within the Galleries redevelopment, the final terms of the agreement be delegated to the Executive Head of Regeneration and Property in consultation with the Major Projects and Property Portfolio Holder.

3. PROGRESS UPDATE

- 3.1. The Council has been working proactively with Shaviram in progressing the regeneration of The Galleries site, particularly over the last six months as further resource has been provided by the developer to ensure effective delivery.
- 3.2. To that end, Shaviram has commenced with the demolition works associated with the bridge link above Wellington Street and a programme of works has been agreed to commence with the demolition of The Galleries shopping centre and, in time, the High Street multi-storey car park. A key consideration for the Council during discussions has been the impact of losing the MSCP, and with it parking capacity, for a period of time whilst the new car park was being built. This could not be avoided due to issues relating to phasing and the need to provide residential car parking aligned to the development as well as the public car parking.

- 3.3. Heads of Terms relating to the Development Agreement and Lease Agreement were circulated to Shaviram for consideration and response in Autumn 2021.
- 3.4. In the period since, the Council was made aware of the former Conservative Club freehold being taken to the market. Given the immediate proximity to The Galleries site, it was considered to be in Shaviram's interest to explore the acquisition with the intention of it offering the potential to provide the Council with a plot upon which a new MSCP could be provided at the developer's cost.
- 3.5. The former Conservative Club freehold presents the opportunity for Shaviram to extract the public car parking from the envelope of The Galleries site and prioritise the delivery of the public car park re-provision ahead of commencing work on The Galleries site itself. It would also ensure that the existing High Street MSCP can stay in operation up until the point that the new MSCP has been constructed, therefore ensuring that there is no gap in parking provision for the town.
- 3.6. It is considered that this proposal offers a number of advantages to the Council when compared to the previously agreed arrangement.
- 3.7. Subject to Cabinet approval, Shaviram will prioritise taking forward a planning application for the site with a target submission being Spring 2022.

5 RISKS AND LEGAL AND FINANCIAL IMPLICATIONS

Risks

- 5.1 The Council has a risk register in place for the scheme and this is reviewed regularly by the Project Office.

Legal Implications

- 5.2 The Council has entered into contract with Homes England in respect of £3.4m of HIF funding aligned to the delivery of The Galleries development. The contract sets out the milestones that the Council needs to meet in order to secure the funding. The inability to meet these milestones would result in the Council defaulting on its legal obligations and put at risk the funding drawdown.
- 5.3 Recognising that the funding allocation runs until March 2022, the Council has formally written to Homes England seeking to extend the milestones by a further year to ensure sufficient time to fully utilise the allocation against demolition and car park costs.
- 5.4 The Council has retained the services of Bevan Brittan to assist with contractual matters relating to the delivery of the project.

Financial and Resource Implications

- 5.5 All costs associated with the delivery of the project are to be underwritten by Shaviram.

Equalities Impact Implications

- 5.6 There are no known specific equalities impact implications arising from this report.

Alternative Options

- 5.7 The Cabinet could consider proceeding with the previously agreed position of a new car park within the envelope of The Galleries site. However, for the reasons set out above, it is not considered to be the best course of action.

6 CONCLUSIONS AND RECOMMENDATIONS

- 6.1 This report provides an update on The Galleries regeneration scheme and seeks approval, in principle, for officers to explore a land transfer for the purposes of public car park re-provision on the site of the former Conservative Club. This represents a departure from the previous position where it was the intention for a new car park to be provided on a long lease basis within The Galleries scheme associated with planning application 20/00508/FULPP.

APPENDICES

Appendix 1 – Title Plan for High Street Multi-Storey car park

Appendix 2 – Title Plan for Former Conservative Club

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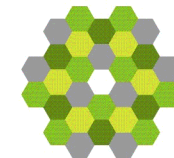
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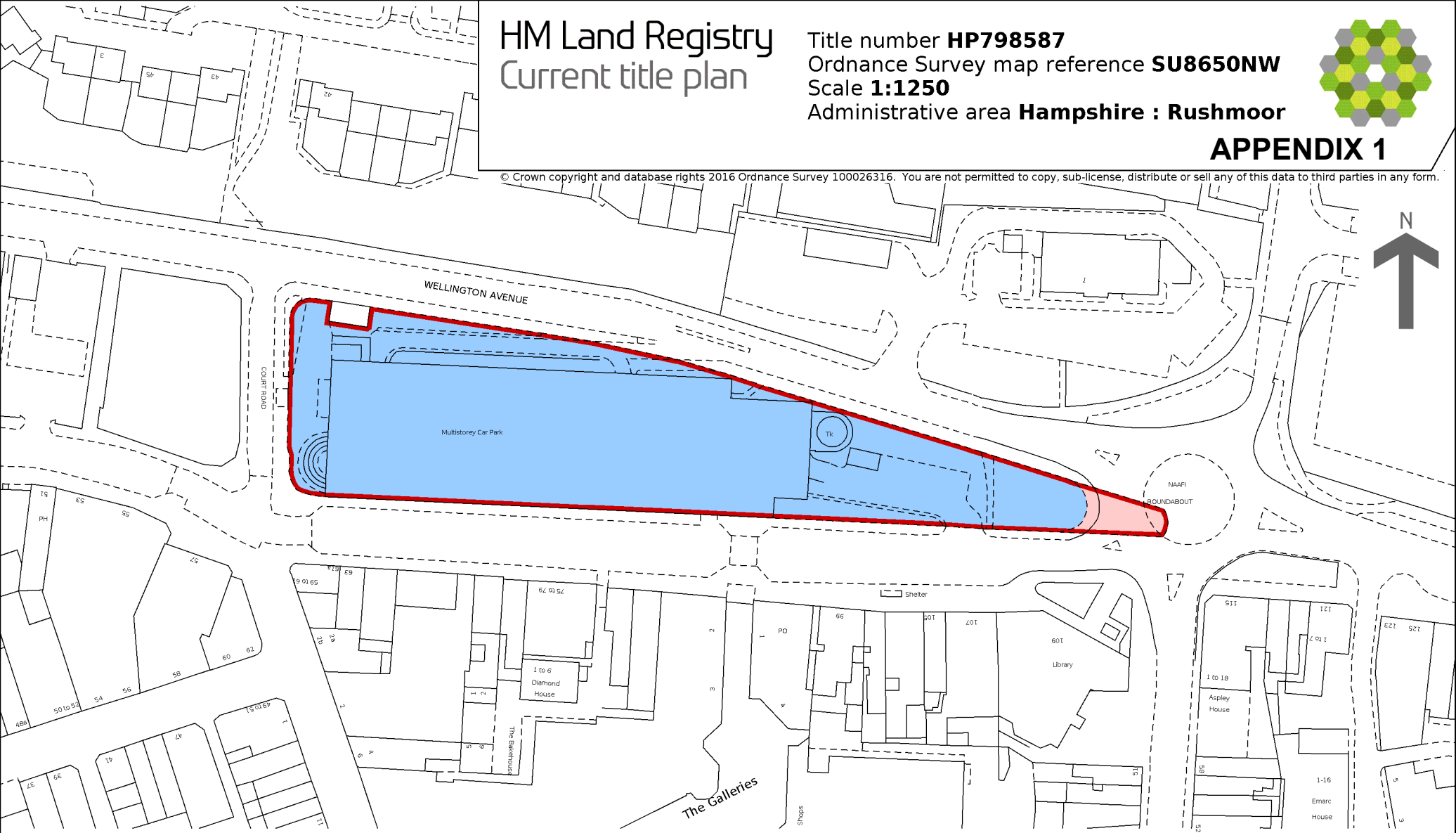
HM Land Registry Current title plan

Title number **HP798587**
Ordnance Survey map reference **SU8650NW**
Scale **1:1250**
Administrative area **Hampshire : Rushmoor**



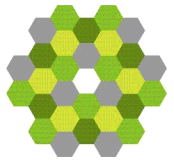
APPENDIX 1

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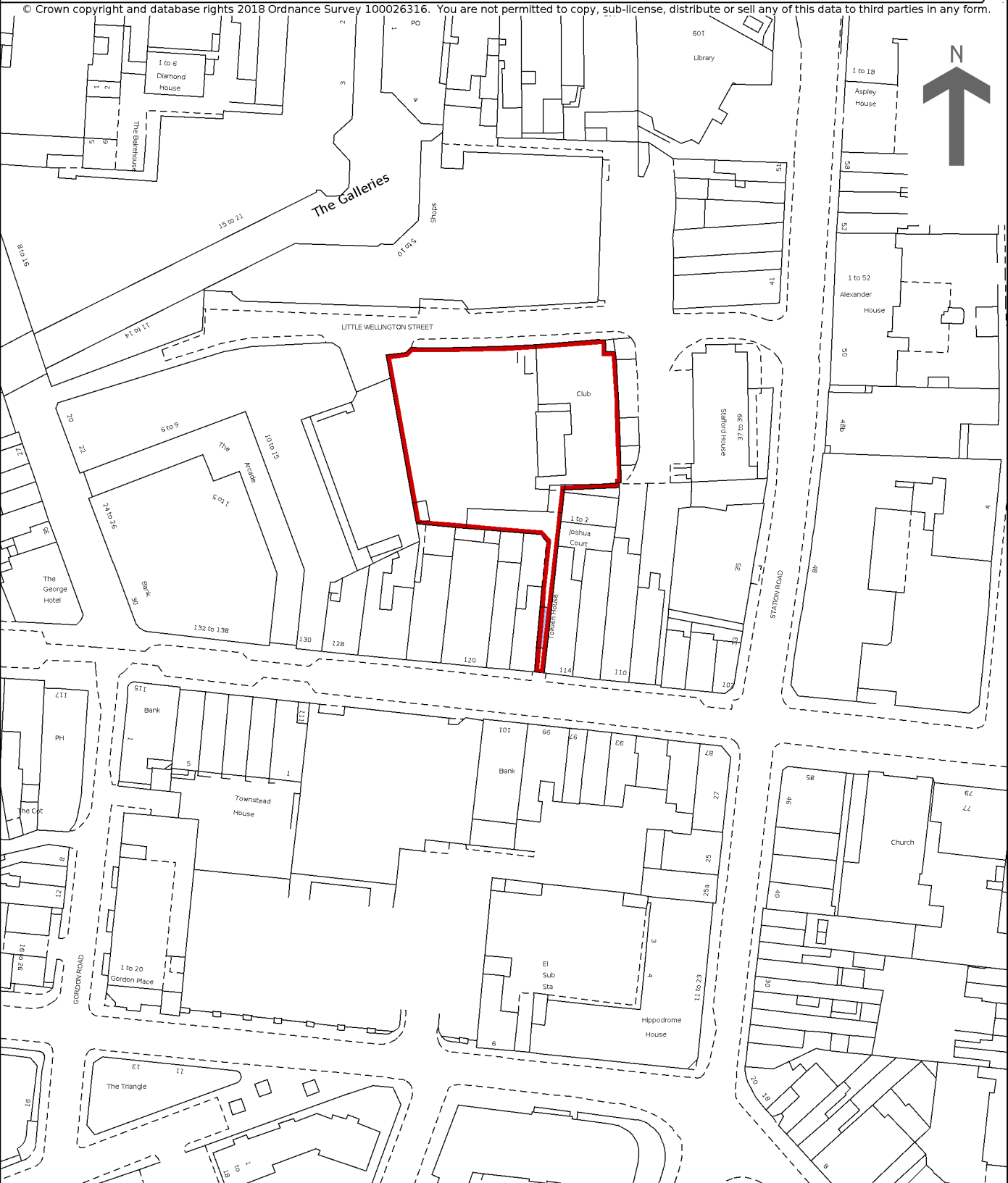
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APPENDIX 2

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