



Rushmoor Development Partnership LLP

Progress Review covering period January 2022 – December 2023



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1. Progress Summary

Site	Feasibility	Planning	Construction
Parsons Barracks	Complete	Complete (22/07/2021)	Complete (Harlow Hall, run by Hartford Care opened May 2023)
Civic Quarter	Complete (High level associated with outline proposals)	Complete (Granted DMC approval on 22/02/2023 -subject to resolution of S106.	Not commenced
Union Yard	Complete	Complete (12/01/2021)	In Progress (Practical Completion 22/07/24)

2. Background

- 2.1 The Rushmoor Development Partnership (RDP) brings together Rushmoor Borough Council and development partner, Hill Investment Partnerships Ltd, to deliver major regeneration schemes across the borough.
- 2.2 Formed in October 2018, the RDP's aim is to support delivery of the Council's ambitious borough-wide regeneration programme, 'Regenerating Rushmoor'.
- 2.3 The RDP was established to support the Council's ambitious regeneration plans, which seeks to build on existing assets and create distinctive, mixed-use town centres with a high-quality retail, leisure, cultural, employment and housing offer. The RDP is also able to identify opportunities to develop long term income generating assets for the Council.
- 2.4 As part of the governance and reporting arrangements, the RDP is required to report to the Council Shareholder, currently Ian Harrison, Executive Director, who will enable consideration of an appropriate report by the Corporate Governance, Audit and Standards Committee.
- 2.5 The initial Business Plan of the RDP was presented to and approved by Full Council on 25th July 2019, subsequent update reports have been considered by the Council's Corporate Governance, Audit and Standards Committee (CGAS). This update report provides an update on work of the company for the period January 2022 to December 2023.
- 2.6 With the exception of concluding the planning consent for the Civic Quarter Masterplan the RDP currently has no live projects and the business plan will be reviewed by the Board during the next reporting period.

3. Progress Review

3.1 The sites identified within the agreed Business Plan are:

- Parsons Barracks Car Park, Aldershot – now complete with the finished care home opening in May 2023
- Union Street East (now Union Yard), Aldershot
- The Civic Quarter, Farnborough

3.2 An update on the progress of the sites over the review period is outlined below.

Parsons Barracks Car Park, Aldershot

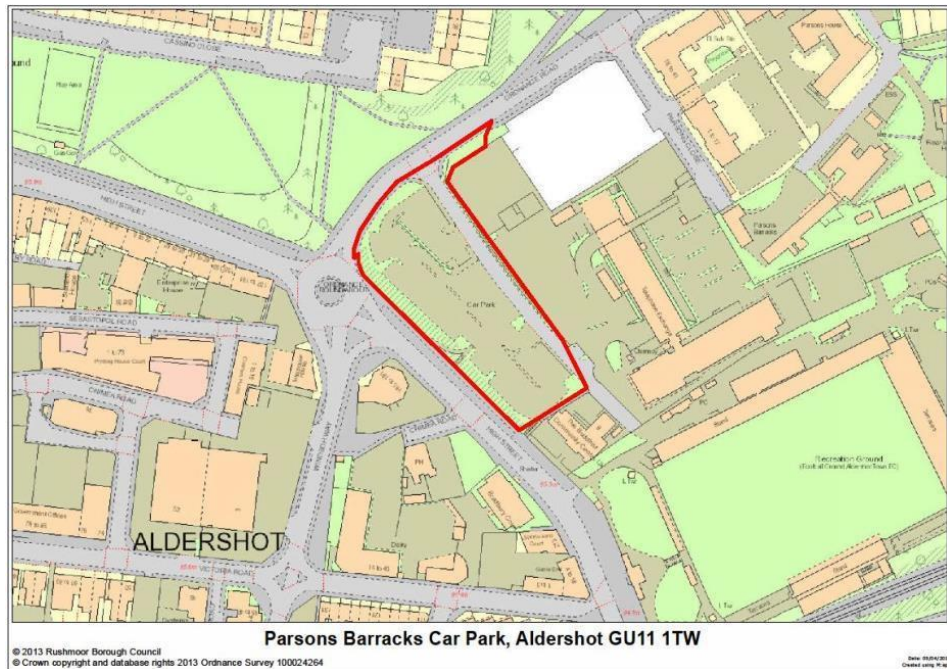


Figure 1 Parsons Barracks red line site boundary

3.3 A planning application was submitted by LNT Care Developments in April 2021 for a three storey, 66-bed care home for general residential and dementia elderly people, with associated car parking, access and landscaping. Planning permission was granted by the Local Planning Authority on 22nd July 2021.

3.4 Disposal of the site to LNT was achieved on the 21st October 2021, securing a capital receipt for the RDP.

3.5 Subsequently LNT have progressed the construction of the scheme during this reporting period, with the new care home, Harlow Hall owned and operated by Hartford Care, successfully opening in May 2023. The care home is now in operation and plays an important role in facilitating the delivery of care accommodation within the borough, helping to meet the needs of local people at present but also into the future.

3.6 The Council now operates the residual 15 space car park adjacent to the care home.

Union Yard (formerly Union Street East), Aldershot



Figure 2 CGI of consented Union Yard development

- 3.7 Union Yard will see the comprehensive redevelopment of a key area of Aldershot town centre and will create a new, revitalised and vibrant space. It will provide flexible retail, new homes and public space in the heart of the town as well as much needed accommodation for students.
- 3.8 Once complete, the scheme will deliver:
- 128 student units, students' study and breakout space (Block S)
 - 82 one and two-bedroom apartments (Blocks C and D)
 - 18 affordable homes (Block E)
 - 12 flexible commercial and retail units on the ground floor of Blocks C, D and E
 - Makers' yard offering smaller creative workshop spaces for small and independent businesses
 - New public square linking the High Street and Union Street
- 3.9 Outside of the RDP delivery vehicle, the Council entered into the main build contract with Hill Partnerships in November 2021 with the scheme targeting practical completion in Spring 2024. Despite not now being delivered through the RDP it was still considered useful to include information as to the delivery of the development.
- 3.10 Over the reporting period construction of the scheme has progressed well with the development on programme and due to complete to a revised practical completion date of July 2024. The delay in programme takes account of matters relating to a party wall that impacted on the early phases of the programme relating to site clearance.
- 3.11 Two current timelapse images of the scheme have been included for information and provide a useful indication of progress made to date.



Figure 3 View towards the High Street elevation



Figure 4 View into the Union Yard

Civic Quarter, Farnborough



Figure 5 Illustrative visual of Civic Quarter scheme

- 3.12 During the reporting period the RDP submitted (February 2022) and successfully obtained consent (22nd February 2023 subject to s106 legal agreement) for its outline masterplan application for the Civic Quarter site, which seeks to deliver a transformational redevelopment of a large-scale, mixed-use town centre scheme and create a development within Farnborough, for people of all ages to come together, and drive the future prosperity and long-term sustainability of the town.
- 3.13 In the period between submission and determination, much of the RDP focus was on dealing with clarifications/amendments arising from both stakeholder and public feedback. A key focus related to highway matters and providing Hampshire County Council with the evidence they required to approve the principal changes proposed to the highway network. There was also public concern raised in respect of the potential loss of established trees across the site and intended heights of buildings. A statement of clarification was issued by the RDP in respect of tree loss with a commitment to replanting alongside off-site planting addressing the concerns of the Local Planning Authority. The RDP also opted to revise some of the maximum heights down in certain locations across the masterplan area in order to address concerns from immediate neighbours.
- 3.14 The ambitious regeneration masterplan includes proposals for the development of:
- A new leisure centre and cultural hub, including a library and community space
 - Up to 960 new energy-efficient homes
 - A new hotel
 - Space for shopping and commercial development
 - A replacement skatepark
 - More than 1.93 hectares of green open space, including a high-quality central park
 - Two mobility hubs, including a multi-storey car park, electric car charging points and cycle hire
- 3.15 Aside from planning matters, over the reporting period the RDP has undertaken an assessment of market appetite for a wide range of commercial uses and forms of residential, as well as options for private sale across the site. Discussions with a variety of commercial operators initially confirmed strong interest, however external factors such as rising interest rates on borrowing, build cost inflation and political uncertainty at a national level have impacted on scheme viability and have resulted in those opportunities

being placed on hold. Given current appraisals and low land values and profit expectations the RDP is not currently involved in progressing any plots on the Civic Quarter.

4. Company Governance and Financial position

4.1 The RDP governance and delivery arrangements were set out in the original report establishing the RDP. The company operates through a Board and operation group known as the Investment Team. The current Board Members are as follows:

Andy Hill – Chief Executive, Hill Group (replaced Greg Hill during the reporting period)
Ernie Batty – Hill Investment Partnership
Rob Jessett – Deputy Group Finance Director, Hill Group (replaced Neil Williams)
Martin Tennant – Major Projects and Property Portfolio Holder
Paul Shackley – Chief Executive, Rushmoor Borough Council
Karen Edwards - Executive Director, Rushmoor Borough Council

4.2 The Investment Team is as follows:

Terry Gamble – Regional Head of Development, Hill Group
Oliver Mealey – Development Manager, Hill Group
Pram Nayak – Consultant, Hill Group
Mary Shaw – Investment Manager, Hill Group
Joe Boyton – Trainee Development Surveyor

Nick Irvine – Head of Regeneration and Development
Vicky Western – Development Manager
Charlie Heavens – Assistant Development Manager

4.3 Annual financial reports are produced by the RDP to align with the financial year. Within the reporting period, it was agreed as per minute 255.3 of the 14th July 2022 Board Meeting that no further staff recharging was to take place going forward. It was agreed that staff time on the Civic Quarter would also not be recharged to ensure further debt is not being accrued by the RDP. As such, the RDP accounts cover payments for consultant support and other costs incurred for the submission of the outline planning application alongside work in progress associated with a potential scheme for Plot J (the current Council Office site). The budget also includes director and officer liability insurance (D&O liability), audit services and bank charges. The audited accounts as at 31 March 2022 and 2023 are attached as an exempt appendix to this report.

5. Communications and Profile of Partnership

5.1 The RDP currently hosts a website (www.rushmoordevelopmentpartnership.co.uk) and a social media presence on both Twitter and Facebook. These mediums have been used to host site-related materials and to promote engagement events / gauge public opinion, particularly in relation to the Civic Quarter during this reporting period.

5.2 Depending on the outcome of the discussions of the Board the future ownership and management of the on-line RDP presence will need to be considered.

January 2024