

3rd March 2020

KEY DECISION: YES

UNION STREET REGENERATION – NEXT STEPS

SUMMARY AND RECOMMENDATIONS:

Following the conclusion of a formal pre-application public engagement process, the Rushmoor Development Partnership (RDP) is progressing towards the submission of a planning application for the Union Street scheme in Aldershot town centre. This report updates Cabinet on the next steps in relation to scheme delivery and seeks the appropriate delegations required in order to submit the necessary planning applications.

Recommendation:

That Cabinet:

1. Delegate authority to the Executive Head of Regeneration and Property to submit planning applications and secure the appropriate permissions as required to enable the Union Street regeneration scheme in Aldershot Town Centre;
2. Note the proposed decision making process for the implementation of Union Street scheme as set out in section 3 of the report.

1. INTRODUCTION

- 1.1. Following the conclusion of a formal pre-application public engagement process, the Rushmoor Development Partnership (RDP) is progressing towards the submission of a planning application for the Union Street scheme in Aldershot town centre. This report updates Cabinet on the next steps in the process and seeks the appropriate delegations required in order to submit the necessary planning applications.

2. BACKGROUND

- 2.1. The regeneration of Aldershot Town Centre is a corporate priority and Union Street is identified as a key site allocation for regeneration within the Rushmoor Local Plan (adopted February 2019) and the Aldershot Prospectus SPD. It has formed part of the portfolio of sites being progressed by the RDP since its inception in late 2018. In addition, the Cabinet will be aware that the Council has been proactive in assembling the freehold and

leasehold interests associated with the site since late 2016 and is now in the final stages of that process.

- 2.2. A mixed use scheme comprising approximately 100 residential units, purpose built student accommodation (PBSA) for the University for the Creative Arts (UCA) and ground floor commercial uses focused around a central yard was the subject of a period of public consultation in January/February 2020, with two public drop-in sessions held in Aldershot town centre on the 16th and 18th January. The proposals received support from 85% of respondents to the consultation.
- 2.3. The RDP has also been engaging with the Local Planning Authority on formal pre-application matters as it is expecting to submit the planning application for the site in early March 2020.
- 2.4. Meeting the March submission date is important as it links to key milestones attached to successful bid for external funding of £5m from Homes England's Housing Infrastructure Fund Marginal Viability Fund (HIF) towards the delivery of the scheme. It also aligns with a final submission for funding from the Enterprise M3 Local Enterprise Partnership (LEP).

3. NEXT STEPS

- 3.1. As the development is on Council owned land and the RDP is a 50% council structure in order to proceed with the submission of the planning application Union Street regeneration scheme, the Cabinet is asked to delegate authority to the Executive Head of Regeneration and Property to submit planning applications and secure the appropriate permissions as required.
- 3.2. The target submission date is March 2020 in order to comply with the HIF milestones.
- 3.3. Alongside the planning application process, the Council is now considering the detailed plan from the RDP setting approaches to funding and delivery of this scheme. A process of due diligence of that project plan, supported by external consultants, is now underway and focusing on the commercial, property and finance assumptions associated with the delivery of the scheme. This process will provide reassurance to the Council as to whether the RDP proposal is the best route for the delivery.
- 3.4. An appropriate revenue budget has been identified to undertake this due diligence which is expected to take a period of 8 – 12 weeks.
- 3.5. It is proposed that the Cabinet will consider the project plan at its meeting at the end of March and recommends that the Council agree to proceed with the scheme at its meeting in April. That decision will be subject to the outcomes of the due diligence, funding routes being finalised and any other matters arising from consideration of the project plan. It is expected that, provided planning permission is granted, there could be a construction start

on site early in the autumn. In the meantime, demolition of the existing buildings will continue through the spring and early summer.

Alternative Options

- 3.6. The Cabinet could opt to delay the submission of a planning application in order to consider the necessary due diligence and feedback in relation to the proposed scheme. There are risks associated with such an approach in relation to funding as set out in the following section.

4. IMPLICATIONS

Risks

- 4.1. The key risk to consider is the ability to progress with the Council's regeneration aspirations in accordance with timescales that are driven by external funding milestones (HIF). In order to secure the £5m of funding to assist with scheme costs, the March submission milestone needs to be met. From a Council reputation perspective, there is an expectation within the public domain as a result of the pre-app engagement, that a planning application will be submitted in March 2020.

Legal Implications

- 4.2. The Council has entered into contract with Homes England in respect of the HIF funding. As referred to above, 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.

Financial and Resource Implications

- 4.3. All pre-planning costs are being covered through the RDP. There is no budget implications to the Council specifically to support the costs arising from the relevant planning submissions that are required. There is an appropriate revenue budget identified to assist with the necessary due diligence. This budget has been identified from the premium that Council received from the M&S lease surrender.
- 4.4. From a financial perspective, it is also worth reiterating that the Council has entered into contract with Homes England's in respect of the HIF funding. It has secured £5m of grant funding to assist with the delivery of the Union Street East site and milestones need to be met to drawdown this funding.

Equalities Impact Implications

- 4.5. No known Equalities Impact Implications arising.

5. CONCLUSIONS

- 5.1. Following the conclusion of a formal pre-application public engagement process that indicated a high degree of public support, the Rushmoor Development Partnership (RDP) is progressing towards the submission of a planning application for the Union Street scheme in Aldershot town centre. This report updates Cabinet on the next steps in the process and seeks the appropriate delegations required in order to submit the necessary planning applications.
- 5.2. It is considered to be a positive decision in the context of the Council being able to take forward the Union Street scheme this year as a key part of delivering against its 'Place' priorities in the Rushmoor Council Business Plan.

BACKGROUND DOCUMENTS:

Cabinet Report CD1802 – Aldershot Town Centre Regeneration Housing Infrastructure Fund

APPENDICES

None

CONTACT DETAILS:

Report Author

Nick Irvine nick.irvine@rushmoor.gov.uk 01252 398739

Head of Service

Paul Brooks paul.brooks@rushmoor.gov.uk 01252 398544