

PUBLIC CABINET - 8 DECEMBER 2009

HOWBURY STRATEGIC OPTIONS PAPER

ISSUES

The Howbury Regeneration Brief, adopted in July 2008, identified the Howbury Centre for regeneration as part of the Bexley First business transformation programme. The Brief commits to the replacement of community facilities, and research and consultation suggests that there is both a need and demand for the redevelopment of integrated community facilities in Slade Green.

In parallel, the Council's Primary Strategy identifies the opportunity to develop proposals for Slade Green Infant and Junior Schools, which are on a neighbouring site to the Howbury Centre. This also provides the opportunity to review the provision of integrated community facilities as part of an extended schools offer. This includes improved access to services such as adult education and study space, as well as broader agendas associated with engagement and raising aspirations within the Slade Green community.

Certainty on the land required to accommodate community facilities is critical because it will provide clarity about the amount of land which will then be available for redevelopment as housing and to be disposed of by the Council. In addition, it will provide certainty to members of the Slade Green community on what they can expect in the years to come on the Howbury site.

OPTIONS

- 1a** To note the proposals within the Primary Capital Programme and support the development of close alignment between the Slade Green schools and any revised community provision.
- 2a** To endorse the need for feedback to the community and *agree* the proposed communications strategy to commence in January 2010.
- 2b** To endorse the need for feedback to the community and *not agree* the proposed communications strategy until further amendments are made.
- 3a** To *endorse* the proposed disposal and marketing strategy for the Howbury site.
- 3b** To *amend* the proposed disposal and marketing strategy for the Howbury site subject to decisions taken at Public Cabinet on 8 December 2009.

PROPOSED DECISIONS

- (1) To note the proposals within the Primary Capital Programme and support the development of close alignment between the Slade Green schools and any revised community provision.
- (2) To endorse the need for feedback to the community and agree the proposed communications strategy to commence in January 2010.

- (3) To endorse the proposed disposal and marketing strategy for the Howbury site.
- (4) To authorise officer to take all appropriate actions to progress the above decisions

REASONS

The need for feedback to the community on progress and next steps is vital in beginning to promote the positive offer to the Slade Green community, and in so doing maximise stakeholder engagement. In addition, a decision on a disposal and marketing strategy is essential because it will provide clarity about the amount of land which will be then be available for redevelopment as housing, as well as promote and provide reassurance to the Slade Green community on the level of service provision in the future.

Signed: Date:
Councillor Teresa O'Neill, Leader of the Council

LAST DATE FOR CALL-IN:

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1. PURPOSE OF THE REPORT

The Howbury site was identified as one of the key sites for reconfiguration and improvement as part of the Bexley First programme. This report addresses the potential disposal of the Howbury Centre building and redevelopment of the Howbury site on a phased basis over the next 5/6 years, as previously agreed by the Council. The completion of a conditional Development Agreement for the Council's offices in Bexleyheath now provides the real prospect of seeing the Howbury offices made vacant in or around 2015. With this aim in mind, it is now appropriate to advance planning and dialogue on the Howbury site a stage further.

This report seeks to galvanise action over the coming 6/9 months to plan for the future of the Howbury site in dialogue with the local community. Specifically, this paper seeks to clarify the Council's intention for the broader Howbury site and proposes further consultation with the community in relation to possible community-based uses and makes recommendations for a communications strategy to the wider public. As part of a marketing and disposal strategy for the Howbury site residents will be engaged through a developers exhibition and during the subsequent planning process.

2. BACKGROUND AND POTENTIAL FOR CLOSE WORKING WITH NEIGHBOURING SCHOOLS

The Howbury site covers an area of 8 hectares of land and comprises the Howbury Centre Council offices, library and buildings in community use, and the adjoining unused former playing field. The Howbury Centre is a key office site for Council staff and will be required, probably until at least 2015.

Throughout the Planning and Regeneration Brief and associated consultations there has been a clear emphasis on the potential for the Howbury Site to offer the development opportunity for several hundred new homes and that these would be accompanied by relevant community facilities. It has also been recognised from the outset that the development site is situated immediately adjacent to Slade Green Junior and Infant Schools, which could provide the opportunity for an enhanced engagement and service 'offer' to the local community. An earlier paper on the Cabinet's agenda sets out the direction for the Council's Primary Strategy over the next few years. This identifies the Slade Green Schools as areas of potential opportunity in terms of achieving an improved educational offer, as part of a broader regeneration project. This report therefore takes as a starting point a desire to maximise the future community benefit of any new or reconfigured community facilities at Slade Green by ensuring that they explicitly relate to the adjacent schools.

3. COMMUNITY FACILITIES – COMMUNICATION, CONSULTATION AND COMMUNITY VIEWS

Consultants WM Enterprise led on consultation with stakeholders and the wider public over the Summer 2008. In addition, the Council has issued a series of press releases over the period December 2007 to July 2008. The last general press release on the Howbury redevelopment was in July 2008 and it is appropriate that the Council provides an update on progress. This process is vital in beginning to manage expectations, as well as maximise stakeholder engagement. It is proposed therefore that Cllr Linda Bailey, Cabinet Member for Regeneration and Housing, would lead on further consultation and engagement with stakeholders and the wider community.

It is suggested that the feedback in response to consultation is communicated to the general public and key stakeholders early in the New Year, following decisions taken at this meeting. The key messages within the communication would be:

- that existing community space will continue to be available for community use until the completion of any new office uses, probably not before early 2015;
- to summarise the key findings from earlier consultation;
- to report the actions taken in response to consultation (i.e. the Council's commitment of land to be retained and be available as part of any redevelopment of the site for new community/sports/youth facilities); and
- to engage in further dialogue with the community about the specific community facilities to be accommodated in any redevelopment.

It is proposed that the above messages will be conveyed through a number of means, including a display in Slade Green Library, with accompanying leaflets in the library and also distributed to key stakeholders. This could also include a leaflet in the Spring edition of the Bexley Magazine and briefing of Ward Members.

4. REFINING THE COUNCIL'S OFFER TO THE SLADE GREEN COMMUNITY

WM Enterprises reported on four main scenarios for potential new community facilities at Slade Green. Within these options were a series of standard facilities which it was suggested would be included in any new community provision. These were:

- Library
- Learn direct and adult education space
- Dedicated youth space
- Two multi use games areas and associated storage and changing
- Street gym

The options varied by including additional facilities to the core provision. These additional facilities included an additional community room, storage, kitchen and additional lavatory facilities. One option also included a new sports hall for day time curriculum and community usage in the evening.

The development of new community facilities, with the exception of the sports hall option, would be in a new two storey building with associated outdoor recreation space to accommodate the games areas and street gym.

The variation in land required to accommodate the community facilities on the Howbury Site is minimal. The land take for any community facilities is likely to be no greater than 2,280 sq. m. Sufficient land has been allocated with the non residential part of the Howbury site to accommodate the maximum community requirement along with circulation space, car parking and a parade of four new retail units. The land required for the community facility and associated parking will be retained freehold by the Council for future community provision and will not be included for disposal with the adjoining residential development land.

If future joint provision with the schools could lead to greater community provision on the schools site, then the designation of some of this land could be re-considered, but only if the total planned community provision was provided for. Clearly the above scenarios would entail a range of different cost commitments by the Council in revenue and capital terms. As a very minimum, it is likely that any new community facility would cost in the region of £2.3m capital expenditure and additional revenue costs of up to £200k pa. Clearly any such new commitments would be entering the Council's financial plans at a period of acute spending pressure. Any such spending would, therefore, require careful planning and execution to ensure the maximum value to both the local Slade Green community and the Bexley taxpayer overall.

In addition to the community facilities, it is a requirement of the Council's Howbury Regeneration Brief that 0.2 hectares of land will be dedicated as a children's play area, with a further 0.88 hectares designated as public open space. This is also included in the proposed spatial strategy for the site.

5. DISPOSAL AND MARKETING STRATEGY

Cabinet is asked to endorse a proposed disposal and marketing strategy for the site. Consultants EC Harris and Cushman & Wakefield are of the view that the Howbury site has sufficient bulk and potential profile to attract significant interest from housing developers even though current market conditions remain difficult. It remains one of the larger development sites in Greater London. In this context, it is recommended that the Council starts to put in place a programme to select a preferred development partner for this site. Work will then continue over the Winter/Spring with a view to bringing forward a recommended developer in Summer/Autumn 2010.

The marketing and disposal of the Howbury site needs to proceed as it is a key capital receipt within the overall Bexley First Business Case, and progressing this would ensure that the Council could achieve capital receipts over 2011 to 2015. In addition, the Council can bring certainty to the community around the overall site masterplan, particularly the spatial relationship between housing and community/open space. The Howbury Development proposal plan is set out in Appendix 1.

Disposal

It is proposed that the residential and retail land be sold to a developer, but the land required for direct construction of a new community facility and parking be retained by the Council. This would allow the residential and retail land to be disposed of through a straight-forward marketing and developer selection process. The Council would then be responsible for designing the community facility and procuring a contractor for its construction.

Marketing strategy

The Council's development management and valuation advisors will need to be mobilised to undertake the following activities:

- pre-marketing preparations including brochure, information pack and literature preparation;
- market awareness including a press launch and release;
- direct knowledge share, with agent approaching likely developers;
- advertising in the Property Press and associated media;
- technical information dissemination (likely to be via a web-based tool);
- investigation and research;
- Analysis of offers and developer selection;
- negotiation between developers and agents to finalise scheme;
- agent's recommendations; and
- exclusivity period and then entry into a contract.

On the assumption that vacant possession of the existing Howbury buildings on site are given on or before 1 April 2015, the procurement process would follow the proposed outline timetable set out in Table 1 below:

Table 1 - Disposal chronology and the timing of receipts

Activity	Responsibility	Duration	Timescale Q(quarter)/ Calendar Year
Administrative, legal works, etc	- LB Bexley & professional team	6 weeks	Q1 2010
Preparations for sale	- Agency adviser	3 months	Q1 2010
Marketing period	- Agency adviser	3 months	Q2/Q3 2010
Purchaser selection	- LB Bexley	1 day	Q3/Q4 2010
Exclusivity period	- LB Bexley & Professional team - Developer	4 months	Q4 2010/ Q1 2011
Conditional exchange	- LB Bexley - Developer	1 day	Q1 2011

Following exchange, the developer would be responsible for obtaining planning permission, which would be targeted for late summer 2011, with construction of the majority of the residential development taking place between 2011 and 2015. A smaller second phase on the site of the current Howbury buildings would be constructed in 2015/2016.

6. NEXT STEPS

Subject to Cabinet's views it is proposed that work is now initiated on two key areas:-

- communicating the broad masterplan for the Howbury site to the Slade Green community and seeking to refine the requirements for and prioritisation of community space / facilities;
- progressing the marketing and disposal strategy for the Howbury site in accordance with the timetable set out above.

In both cases the objective would be to bring forward further reports to Cabinet for decision next Summer.

7. SUMMARY OF LEGAL IMPLICATIONS

A decision on marketing and disposal of the Howbury site will provide clarity about the amount of land which will then be available for redevelopment as housing. Legal Services will be fully involved in the land disposal at the Howbury site, with careful consideration at every stage to ensure the Council's interests are protected. Procurement of any new community facilities will be addressed at a later stage and in future reports to Members.

8. SUMMARY OF FINANCIAL IMPLICATIONS

The proposed consultation with the Slade Green community will shape and inform the strategic options under consideration for a redevelopment of community facilities. However, as indicated in section 5 of this report, as a very minimum it is likely that any new community facility would cost in the region of £2.3m capital expenditure and additional revenue costs of up to £200k pa which are not included in existing financial plans. The costs of consultation will be met from the Bexley First project implementation budget. A more detailed cost analysis of the strategic options for consideration will be presented to Cabinet for decision in late 2010/early2011.

9. SUMMARY OF OTHER IMPLICATIONS

Equal Opportunities. Council officers will work to ensure that further consultation and feedback to the community is inclusive and tailored to different community groups. In addition, close working Legal Services and the Procurement Team will ensure that tenders are received fairly and in accordance with Council policy.

HR Implications. The redevelopment of the community facilities on the Howbury site would impact on the existing staff and service users of the Howbury Centre Council officers, library, and buildings in community use. These issues will be addressed as to programme progresses.

Community Safety. The decisions taken at Public Cabinet would have no known impact on community safety.

Environmental Impact. This will be addressed as the programme progresses through design stages. Clearly, the Bexley First is intends to secure broader environmental benefit by reducing staff travel between buildings and releasing sites for housing and other uses. The need to consider the whole-life costing will be taken on board as part of building design.

Health and Well-Being of the Borough. The decisions taken at Public Cabinet would have no known impact on the health and well-being of the Borough.

Asset Management Implications. The disposal of this site is integral to securing the aspirations of the Bexley First project which seeks to secure business transformation through the rationalisation and modernisation of the Council's office accommodation, ICT and customer contact. Bexley First is a key element of the Council's Asset Management Strategy.

10. CONCLUSION

It is clear that the redevelopment of an integrated community facility is likely to contribute to a range of strategic objectives at Slade Green. This relates to both the regeneration and economic development outcomes that could be generated through improving access to services such as adult education and raising aspirations, together with broader programmes of engagement.

Looking forward, consideration will be given to a potential to develop the relationship between the plans for community facilities and the adjacent schools at Slade Green. The opportunity to share hall space, possibly an ICT suite and outdoor space with the community could bring economies of scale and scope, but these will need to develop through dialogue as part of detailed planning and design.

Local Government Act 1972 – section 100d List of Background documents

None.

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