



Growth and Development Scrutiny Group

Tuesday, 15 October 2019

Abbey Road - Depot Redevelopment

Report of the Executive Manager – Transformation

1. Purpose of report

1.1. To report on the progress made in respect of the Cabinet recommendations on 9 October 2018, namely:

- a) Agrees that officers undertake the necessary work to submit an outline planning application for housing on the Abbey Road site, accompanied by a design code.
- b) Dependent on an appropriate planning permission for the site being secured, authorises the Deputy Chief Executive to undertake a marketing exercise for the disposal of the site with the benefit of a planning permission for housing
- c) Requests a follow up report with the results of the marketing exercise and detailing any other options for the Council to consider with regards the future development of the site.

And subsequent Cabinet recommendation on 9 July 2019:

- a) Authorises the Chief Executive to shortlist the developer bids and undertake appropriate due diligence to arrive at a preferred bidder
- b) Requests a follow up report providing details of the preferred bid for further consideration with regard to the future development of the site.

2. Recommendation

It is RECOMMENDED that the Growth and Development Scrutiny Group:

- a) Notes the contents of the report
- b) Considers the actions taken to meet Cabinet's recommendations and endorses this work.

3. Reasons for Recommendation

To support the work undertaken in bringing forward a proposal for a new high quality housing development at Abbey Road.

4. Supporting Information

- 4.1. The Council has long held an ambition to relocate the depot to a more suitable site and bring the land forward for housing. Recycling2go has relocated to Eastcroft and Streetwise to Bingham, freeing the land for redevelopment.
- 4.2. Cabinet supported appointing an architect to prepare a housing scheme with a focus on high quality design, including 30% affordable. A Masterplan (Appendix A) with Design Code (Appendix B) were prepared, which included specific design standards, such as:
 - Minimum house sizes
 - Building For Life standards
 - Off road parking and cycle storage
 - Roof top gardens
 - Level access
 - Central open space
 - Non-standard house type, using different elevation styles and palette of materials.
- 4.3. These documents formed part of the outline planning application and permission was granted in June 2019.
- 4.4. The site was marketed, 17 offers were received and the nine that mostly met the criteria of the Design Code and Masterplan with the highest offers were shortlisted.
- 4.5. The shortlisted developers were asked to prepare a second bid based on a revised Design Code to include a list of energy efficiencies (see Appendix B, Design Code, Section DC5.2 - Delivering Quality). This included a requirement to meet the following standards:
 - A 19% reduction in carbon efficiency rate of Building Regulations
 - No gas or solid fuel
 - Combination of electric and renewable energy
 - Efficient use of water
 - Efficiencies during construction
 - 30% of construction costs (ie labour and materials) to be sourced locally
 - Electric car charging for each dwelling
- 4.6. Four developers, who met the above criteria, have been shortlisted for interview. Following this, and subject to further due diligence and negotiations, a preferred bidder will be referred to Cabinet for consideration.
- 4.7. The Design Code and Masterplan aim to deliver a housing scheme that exceeds current building regulations, uses high quality materials, local labour and supply chain and reduces carbon emissions.
- 4.8. The aim is to provide a showcase development that can be highlighted as an example to other developers in the market. An illustrative example of the Masterplan is shown at Appendix C.

5. Risks and Uncertainties

- 5.1. Following Cabinet approval, the shortlisted bidder will be subject to the usual due diligence, as such, there is a risk the sale may not complete. To mitigate this risk, it is intended that the other bidders will be kept in reserve.
- 5.2. To support the enforcement of the Design Code, legal advice will be sought to ensure that the contract protects the Council's interests. In addition, through the interview process, the chosen bidder will be asked to demonstrate they share the Council's aspirations for the development.
- 5.3. The site is contaminated and professional advice is to leave it in-situ and cap it with clean soil. The contamination found is contained, is not a gas or leeching into the waterways and, therefore, can be controlled. There is a risk that further contamination is found before or during construction and this could have cost and time implications for the Council. To help mitigate this risk, additional testing is being carried out.
- 5.4. There is a risk that the offer price could be reduced if any of the conditions are found to have financial implications to the developer, as the cost will be passed to the Council as land owner. A significant amount of time has been spent to 'de-risk' the site, undertaking surveys and designing services and infrastructure to limit the 'unknowns' by the developer and, therefore, reducing the conditions imposed on the sale.

6. Implications

6.1. Financial Implications

- 6.1.1. The joint objective is to deliver additional housing in West Bridgford, to a high quality standard and to generate a capital receipt to offset the cost of relocating Council services from the site.
- 6.1.2. The Council has received £300k Land Release Funding to bring the site forward. There is a risk that any delay in disposal beyond March 2020 could result in repayment of the Land Release Funding.
- 6.1.3. The costs of bringing the land into a condition for sale can be contained within the current capital programme provision.
- 6.1.4. If the offer price is reduced this will impact on the capital receipt due to the Council.

6.2. Legal Implications

- 6.2.1. The contract will be drafted to ensure that the development adheres to the Masterplan and Design Code.

6.3. Equalities Implications

- 6.3.1. No known equalities implications

6.4. Section 17 of the Crime and Disorder Act 1998 Implications

6.4.1. The layout and design of the Masterplan have been designed with safety in mind. There is an ‘active’ street scene, where houses face each other, appropriate street lighting, road layout to mitigate against speeding cars or being used as a ‘rat run’, open space designed in such a way that it is open and overlooked by a number of houses. The houses will also meet ‘Secure by Design’ standards, a Police security initiative.

7. Link to Corporate Priorities

7.1. The development of the site as per the Masterplan and Design Code link to three of the Council’s Corporate Priorities: Quality of Life, Sustainable Growth and The Environment.

7.2. The development will provide new housing, helping to meet the 5 year land supply, including 30% affordable housing. It generates economic growth for local jobs and supply chain, as stipulated in the Design Code. It will improve the local area, transforming an industrial site to housing and aims to create a higher standard of sustainable housing compared with the standard market offer.

8. Recommendations

It is RECOMMENDED that the Growth and Development Scrutiny Group:

- a) Notes the contents of the report
- b) Considers the actions taken to meet Cabinet’s recommendations and endorses this work.

For more information contact:	Leanne Ashmore Executive Manager – Transformation Tel: 0115 9148267 lashmore@rushcliffe.gov.uk
Background papers available for Inspection:	Outline planning application Cabinet 9 October 2018 Cabinet 9 July 2019
List of appendices:	Appendix A - Masterplan Appendix B - Design Code

Masterplan Appendix A
Design Code Appendix B