

BARNSELY METROPOLITAN BOROUGH COUNCIL

This matter is a Key Decision within the council's definition and has been included in the relevant Forward Plan

Joint Report of the Interim Executive Director Development, Environment and Culture and the Assistant Chief Executive Finance, Property and Information Services

Barnsley Town Centre Enhancement & Revitalisation – The Way Forward

1. Purpose of the Report

- 1.1 To present an initial framework for securing the enhancement and revitalisation of the town centre to be developed in consultation with local residents, key stakeholders and the wider business community of Barnsley.
- 1.2 To ask the Assistant Chief Executive, Finance, Property and Information Services to consider proposals for the earmarking at this stage, of a total of £35m within the medium term financial strategy of the Council to secure the long term enhancement and revitalisation of the town centre.
- 1.3 To seek approval to terminate the current contractual arrangement between 1249 Regeneration Partnership LLP, Wilson Bowden Developments Ltd, Barratt Developments PLC, and Barnsley Metropolitan Borough Council as set out within the revised Development Agreement of 30th March 2012.

2. Recommendations

- 2.1 **That Cabinet endorse the proposal for the Council to work jointly with key stakeholders to advance the development proposals for the town centre and to present these to Cabinet in July 2014.**
- 2.2 **That approval be given to the earmarking at this stage of £35m within the Medium Term Financial Strategy (MTFS) for securing the enhancement and revitalisation of the town centre. A detailed report on the use of these resources to be subject of a further cabinet report.**
- 2.3 **That the Interim Executive Director Development, Environment and Culture and the Assistant Chief Executive, Legal and Governance serve notice to terminate the current contractual arrangement with 1249 Regeneration Partnership as contained within the revised Development Agreement of 30th March 2012.**

3.0 Introduction

Background and Context

- 3.1 Members will recall that the Council entered into a revised Development Agreement with 1249 Regeneration Partnership on 30th March 2012 to deliver the scheme known as Marketplace Barnsley. Since this period, the Council and 1249 Regeneration Partnership have been working together to deliver the above scheme. However, the continued fragility and changing patterns of the retail market and the challenges associated with securing £125m from the investment market has meant that the obligation placed upon 1249 Regeneration Partnership by the key anchor tenants to deliver the scheme by autumn 2016 cannot be fulfilled.
- 3.2 Recently, one of the key anchor tenants has given 1249 Regeneration Partnership notice to terminate their contract to occupy a large retail unit.
- 3.3 It is proposed that a termination notice is served on 1249 Regeneration Partnership, and a new scheme is created, with the council as developer.
- 3.4 In seeking this approval to terminate current contractual arrangement, it is proposed that as the Council works towards the development of more detailed plans, a dialogue is held with prospective retailers to establish which retailers, leisure and restaurant operators are interested in being part of the new town centre.

Our new approach to Barnsley Town Centre Regeneration

- 3.5 The Council is now in a strong position to deliver a town centre regeneration scheme, having acquired the Metropolitan Centre and other former Yorkshire Forward assets in the Town Centre and having the majority of the current retailers now on vacant possession friendly terms, in respect of their contractual lease arrangements.
- 3.6 In essence, the Council now has full control of the site and as part of this report is proposing to earmark an additional £35m to facilitate the regeneration of the town centre.
- 3.7 Given the above, the starting point has to be to clearly re-define the new town centre regeneration scheme.
- 3.8 The refreshed vision will be underpinned by the following:
- “Develop a vibrant town centre that is thriving, economically active with a strong revitalised market at its heart and supported by good retail, leisure, community facilities, public realm, car parking, visitor and night time economy”***
- 3.9 The opportunity to develop a new state of the art purpose built library at a town centre location, a possible customer service centre within the new proposed library and the proposal to construct a new £16m Barnsley Sixth

Form College could provide an additional stimulus to the regeneration of the town centre.

- 3.10 There is the potential for a total combined public sector investment over the next few years representing a £57m package, which will be made up of:
- Proposals to earmark £35m as part of this report to rejuvenate the town centre;
 - An estimated additional £16m investment if the new proposed Barnsley Sixth Form College were also to go ahead;
 - Approximately £6m investment in public realm improvements.

4. Proposal and justification

- 4.1 Members will be aware that the town centre forms an integral part of the council's Corporate Plan and the adopted Economic Strategy (2012-2033). The recently established Barnsley Economic Partnership (BEP) has reinforced the strong need to maintain a focus on the town centre as a key priority. A steering group comprised of three members of BEP and officers from across the Council are working together to help shape the plans which will bring a lasting benefit to the rejuvenation of the town centre.
- 4.2 The proposals and opportunities contained in this report will represent the next significant block for the rejuvenation of the town centre. It is envisaged that this new package of public sector investment and development focus will help unlock the next wave of private sector investment and new occupiers to add to the vibrancy and offer of the town centre.
- 4.3 It is envisaged by working closely with key stakeholders and through extensive community consultation over the next three years, the following can be achieved:
- Deliver £6m of public realm improvements within the town centre;
 - Jointly with library users and staff design and construct a new state of the art purpose built library;
 - Completion of a full detailed technical assessment in the form of a structural and stock conditions survey of all the key buildings, including the old Council Offices, the Metropolitan Centre, the Indoor Market and multi-storey car park.
 - Selected demolition of the obsolete and redundant buildings and the development of proposals for the remodelling, redesign and securing major improvements to the Metropolitan Centre and the market;

- In consultation with market-traders and users, develop and implement proposals to re-model and secure major improvements to the indoor, semi-indoor and out-door markets;
- Potential acquisition of the former TEC building and adjacent property to the north of Kendray Street as a leisure and retail quarter;
- High quality and sufficient car parking in the town centre;
- Creation of public squares and development plots to facilitate future town centre development;
- In conjunction with stakeholders, potential identification of a select number of retailers, leisure and restaurant operators and private investors that will want to work with the Council for securing the continued regeneration of the town centre.

5.0 Proposed Next Steps

- 5.1 The redevelopment of the town centre will generate considerable interest from a wide cross section of the local and business communities, including market traders, library users, town centre retailers and perspective private sector investors. Full detailed plans of the proposals contained in 4.3, will be developed and presented to Cabinet in July 2014 for further consultation
- 5.2 A Town Centre project team will procure the design of the proposals contained in 4.3.

(In the event of the Cabinet determining that the central library should remain in its present location pending the development of the detailed proposals for a new town centre library there would need to be further consultation as to the long term solution for a town centre library informed by the detailed design proposals.)

Subject to achieving the necessary statutory approvals make a physical start on site in the next 12 months.

6.0 Implications for local people / service users

- 6.1 The proposals contained in this report represent the next phase of town centre development. It is envisaged that the proposed allocation of £35m investment contained in this report will help safeguard and unlock new job opportunities for local people and significant private sector investment.
- 6.2 Furthermore, the design and creation of a new purpose built library jointly with service users and staff will provide state of the art facilities for local people, service users and staff.

7. Financial implications

- 7.1 Under the terms contained within the existing Development Agreement of 30th March 2012 a termination of the contractual arrangement with 1249 Regeneration Partnership triggers a payment of £1.365m to them. This relates to payments made by them to secure vacant possession of some of the retail units during the days when Yorkshire Forward was an active partner in the scheme.
- 7.2 However, it needs to be noted that although this liability rests with the Council there is a legally binding agreement in place with the Homes and Communities Agency (successor body for taking Yorkshire Forward assets and associated obligations) for repayment to the Council. It is therefore cost neutral to the Council.
- 7.3 At this stage, it is anticipated that the works involved in delivering the Town Centre Enhancement & Revitalisation will be delivered within a £35m capital financial envelope.
- 7.4 These financial resources will be funded through a combination of prudential borrowing already provided for within the Medium Term Financial Forecast along with the use of reserves and capital receipts already earmarked for priority projects. The Assistant Chief Executive, Finance Property and Information Services will advise on the most appropriate combination as part of the further report.
- 7.5 Clearly the use of such resources will reduce the capacity of the Council to invest in other priorities in the medium term.
- 7.6 Further work will need to be undertaken to identify the detailed costs associated with the works and these will be subject to a further report to Cabinet.

8. Employee implications

- 8.1 There are no employee implications arising from this report. However, a dedicated team will work on the project to ensure timely delivery of all milestones.

9. Communications implications

- 9.1 A detailed communications plan will be developed for the project jointly with the Head of Communications and Marketing, who is already involved with the project and is taking the lead on developing the key communication messages.

10. Consultations

- 10.1 The redevelopment of the town centre will generate considerable interest from a wide cross section of the local and business communities, including market traders, library users, town centre retailers and prospective private sector

investors. In consultation with key stakeholders and the above interest groups, full detailed plans of proposals contained in 4.3, including exhibition material will be developed and presented to Cabinet in July 2014.

11. Community Strategy and the Council's Performance Management Framework

- 11.1 The proposal contained within this report are fully aligned with the corporate priorities, namely growing the Economy, and the objectives relating to the town centre development.

12. Risk Management Issues

This report provides an initial framework for the regeneration of the town. There are risks associated with the plans which will be assessed in more detail as the work progresses together with mitigating actions. The key risks include:

- Structural survey assessing the condition of the key town centre buildings;
- Extensive consultation and involvement to help develop the plans;
- Meeting financial and delivery timescales.

13. Promoting Equality & Diversity and Social Inclusion

- 13.1 The development of the town centre will provide new opportunities for local residents from across the Borough. The location of the interchange in the heart of the town centre will enable local residents from across the Brough to access the opportunities from the redevelopment of the town centre.

14. Glossary

- 14.1 BEP: Barnsley Economic Partnership

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