



## Wincanton Regeneration Scope Change

Executive Portfolio Holder	Cllr Sarah Dyke, Wincanton Regeneration
Strategic Director:	Peter Paddon, Acting Director of Place and Recovery
Service Manager:	Natalie Fortt, Regeneration Programme Manager
Lead Officers (for report):	Pam Williams, Wincanton Regeneration Project Manager James Griffin, Regeneration and Capital Accountant
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## Purpose of the Report

To seek agreement from District Executive to significantly alter the scope within the approved budget of the Wincanton Regeneration Project from that agreed by District Executive in February 2022. This will provide a focused workstream on the re-use of key vacant properties until the end of March 2023. This new focus will provide better regeneration outcomes for Wincanton.

## Forward Plan

This report was added to the forward plan in August 2022 with an expected date of September 2022

## Public Interest

The intention is to focus resources on the main priority of bringing key vacant premises back into use to ensure that work advances as far as possible, in the remaining months of the Wincanton regeneration project, until the end of March 2023, when the new Somerset Council comes into being. This new focus will provide better regeneration outcomes than the public realm works proposed previously. Additional footfall in the town centre will be generated, which will also support existing businesses and add to the vibrancy of the area.

The important work of events and activities, plus building repair grants will also continue but applications closed for both at the end of August to enable completion in March 2023. Whilst public realm construction will not commence, the Highways Safety Audit 2 works will be completed to allow Somerset Council the option to progress public realm works in future.

## Recommendations

That District Executive recommends to Council to approve:

A significant change in project scope, within the existing agreed capital budget, to accommodate the revised over-riding priority of bringing key vacant premises back into use (more detail provided in the Confidential Appendix).

Whilst noting that:

- The events and activities, plus building repair grants work will also continue but applications closed for both at the end of August to enable completion in March 2023.
- Whilst public realm construction will not commence, the Highways Safety Audit 2 works will be completed to allow Somerset Council the option to progress public realm works in future.
- Agreement will be sought from Somerset County Council for any land acquisition or Compulsory Purchase Order under the s24 Direction that is over the value of £100k.

That District Executive agrees that the sum of £260k allocated to Wincanton Public Realm works on 7<sup>th</sup> July 2022, from the Corporate Capital Contingency Budget, remain within this project's budget and used to finance the changed project scope. (The figures presented within this report have made the assumption that this will be agreed by District Executive).

## Background

1. A meeting of Wincanton Regeneration Board held 1st August 2022 reached consensus on the way forward in the remaining seven months (up until 31 March 2023) of the project, prioritising the re-use of key vacant premises. This new focus will provide better regeneration outcomes than the public realm works proposed previously. Additional footfall in the town centre will be generated, which will also support existing businesses and add to the vibrancy of the area.
2. Other consensus reached was that the important work of events and activities, plus building repair grants would also continue with applications to close for both at the end of August to enable completion in March 2023. Also, that public realm construction will not commence but Highways Safety Audit 2 works will be completed to allow Somerset Council the option to progress public realm works in future.
3. The focus to bring key vacant premises back into use may require the use of a Compulsory Purchase Order (CPO). The first phase will include options and feasibility work, plus public consultation required to agree an end-use, prior to acquisition. A project plan is being developed for this towards clear proposals for a three-phased approach for future acquisition, demolition and re-development.
4. The next section of the report sets out the proposed revision to project scope within the agreed budget.

## Project Scope

5. To concentrate work on key vacant properties, the following workstreams will be de-scoped. Table one below sets out the budget by workstream, as previously envisaged, which will be remaining beyond 31 August 2022.



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Work-stream	De-scope timescale	Anticipated residual budget*
Wayfinding and signage	Immediate	180,000
Events and Activities grants	Closed to new applications on 31 August. Applications will only be processed for events which can happen and be claimed by 31 March 2023	*29,000
Public Realm Design	Completion by September of Stage 2 Highway Safety audit and 'technical approval' to construct. No further work to undertake	0
Public Realm construction	Immediate – contract not entered in to	1,360,000
Property Project	Applications/Expressions of Interest already received will be processed. Closed to new applications on 31 August. Works will need to be fully completed and final claims made by 11 March 2023.	*92,557
Anchor Store retailer review	Immediate – no foundation work undertaken	5,000
Marketing/image development	Immediate – no foundation work undertaken	40,000
Seasonal planting	Immediate – not required (commuted maintenance sum for planting proposed within public realm scheme)	52,000
	Budget surplus generated by de-scope	1,758,557

\*balance if pipeline grant applications are approved and once existing commitments are honoured.

## Workstream scope

6. To bring key vacant premises back into use, renewed attempts will be made to engage owners. As a tool of last resort, the use of compulsory purchase powers could be considered.
7. If land/property requires the use of compulsory purchase powers, an early step in this process would be obtaining an 'in principle' decision from District Executive to use these powers and also other powers to obtain information and require access to the site. This 'in principle' request would need to include the intended use of the site so initial work on options and feasibility including public engagement is therefore required before a preferred end use can be recommended to District Executive.
8. To advance this work, external consultancy support required would include:
  - undertaking surveys (from adjacent publicly accessible areas) to inform designs and cost
  - advice on future end uses for key location(s) having regard to acceptable town centre uses and site suitability



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- assessment of demand and impact of proposed end uses
- create concept designs with visualisations
- to prepare and evaluate on-line and in person consultations including developing material
- production of cost plan with site relevant, high-level sums
- provide clear recommendations which reflect above and a phased approach to delivery
- specialist legal/planning advice to support in-house teams

9. Briefs for these services will be developed so that procurement can be progressed promptly.

10. The ambition for the town centre is to have quality mixed-use development, which combines upper floor residential and ground floor commercial. The options and feasibility work will guide the next stages, which is essential to bring about the change needed in the heart of the town.

### Project Budget

11. Although now closed to new applications, expenditure on the property grants programme is expected to be approximately £92,000. Eighteen expressions of interest were received in the five months the grant programme was open. Applications are from owners of prioritized buildings requiring urgent or high level works such as gutters and fascias. This workstream will deliver visible benefits to historic town centre buildings once works are completed.

12. It is anticipated that the cost of the CPO external consultancy support would be in the region of £40,000. The options and feasibility consultancy is estimated at £25,000 and specialist legal/planning support up to £15,000. The £40,000 total figure for external support reflects the scope of work that can be completed by end March 2023.

13. The furtherance of work on the Levelling-Up fund bid is also retained within scope with no change to the existing (£65,000) budget proposed, pending the decision on the bid which is expected in Autumn/Winter this year.

14. Table 2 below shows the proposed budget for Wincanton Regeneration project. Provisional costs related to acquisition, demolition and future development are being worked-up and will form part of a cost review during the feasibility and options phase. A timeline and project plan are also being developed.

**Table 2: Wincanton capital and revenue budget re-profiled for 2022/23 and 2023/24**

Project/Package	Approved 2022/23 £000's	Revised 2022/23 £000'S	Revised 2023/24 £000's	Total Budget £000's
Wincanton Regeneration Capital Programme Budget	2,359	620	1,739	2,359
Wincanton Regeneration Revenue Programme Budget	293	273	20	293
<b>Total</b>	<b>2,652</b>	<b>893</b>	<b>1,759</b>	<b>2,652</b>



## Financial Implications

15. Table 2 (above) shows a revised budget £0.893m for this financial year 2022/23 with the sum of £1.759m re-profiled into 2023/24 for future works relating to acquisition, demolition and development. The scope of the project and detailed budget allocations within the total approved budget will be determined upon conclusion of the options and feasibility work. The overall Wincanton Regeneration project budget is unchanged at £2.652m and will be financed as shown in the table below.

**Table 3: Wincanton capital and revenue budget financing**

Wincanton Regeneration Capital Funding Sources	Amount £000's
Capital Funding	
Capital Receipt (Churchfield)	478
Regeneration Reserve	190
External Borrowing	1,691
<b>Total Capital Funding</b>	<b>2,359</b>
Revenue Funding	
Regeneration Reserve	293
<b>Total Revenue Funding</b>	<b>293</b>
<b>Total Funding</b>	<b>2,652</b>

16. District Executive approved an additional £0.260m to enable the construction contract for public realm works to be entered into at their meeting in July 2022. The figures above retains this funding for the future re-development project and District Executive is being asked to confirm this in the recommendations shown at the front of this report.
17. The majority of the capital expenditure for the project (£1.7m) has been previously agreed to be financed by the use of Prudential Borrowing. Members should note that the Bank of England's base rate currently stands at 1.75% and it is widely believed that this will increase during the rest of this financial year. The 2022/23 revenue budget agreed by Full Council in February 2022 assumed a prevailing interest rate of 1% for the year.
18. The Chief Finance Officer advises District Executive in the Quarter 1 revenue budget monitoring report, on the same agenda as this report, of the possible impact the higher interest rate will have on the council's revenue budget. The figure given is for the whole of the council's capital programme that is to be financed by Prudential Borrowing including the Wincanton Regeneration Project. District Executive does have the option, if it wishes, to cease further activity on this project and by so doing decrease the council's overall borrowing needs saving between £125k and £150k per annum to the revenue budget (the total MRP and interest charges).

## Legal implications (if any) and details of Statutory Powers

19. It is likely that Legal support will be necessary, both from our internal team and external legal advisors. Use of the following legislation may be required:

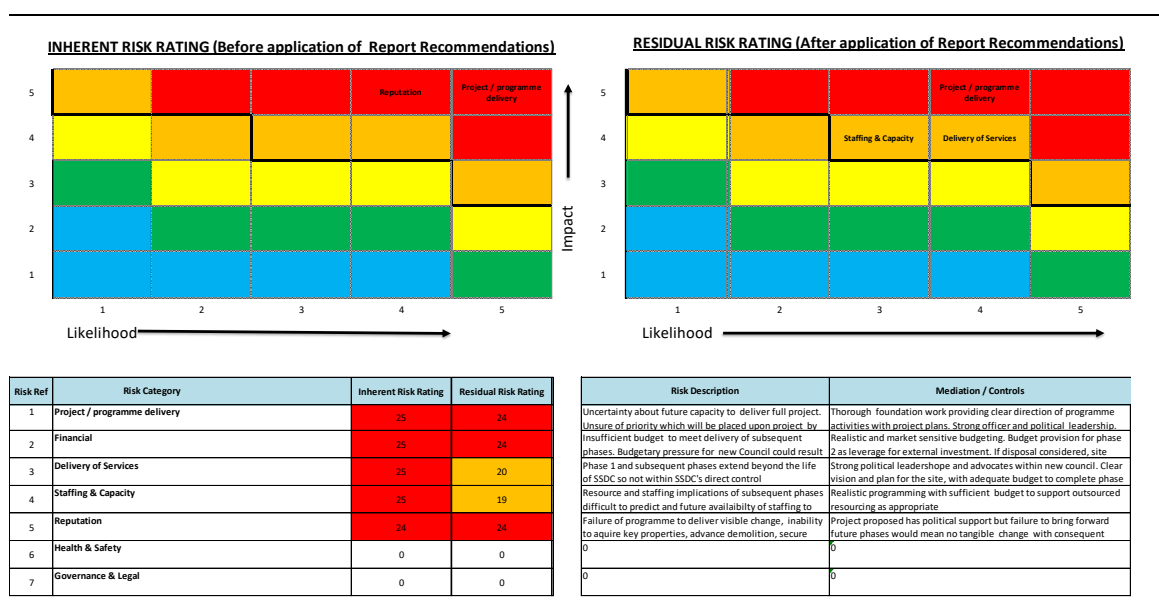


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- Local Government (Miscellaneous Provisions) Act 1976 and/or section 5A Acquisition of Land Act 1981 to secure information about ownership and occupation
- Housing and Planning Act 2016 to obtain the right to enter and survey or value the Land and if necessary appoint consultants and/or contractors for these purposes
- Planning Act powers to bring about the development, redevelopment or improvement of the land

## Risk Matrix

20. The risk matrix shows risk relating to the Council Plan headings.



21. Despite the mitigation measures put in place, a number of significant risks remain. If members agree the suggested changes to the project scope, the project would continue beyond vesting day, so final delivery is beyond the control of this council. However, the project does have the support of the new Somerset County Council Ward Members who will of course continue to represent Wincanton for the new Somerset Council.

22. Whilst options and feasibility work will provide greater clarity, there remains a high level of financial risk at this stage as there is uncertainty around the site conditions, future use and purchase costs of any potential property acquisitions.

23. If the council is required to seek a CPO, there is no guarantee that the order will be granted. Funding for specialist legal advice is included in the revised budget but there remains a reputational risk to the council should the CPO be unsuccessful and therefore the anticipated outcomes of the Wincanton Regeneration Project not fully delivered.

## Council Plan Implications

24. Wincanton regeneration is included as a priority project in the SSDC Corporate Plan: Annual Action Plan 2022-23. This report therefore directly links to and supports this priority.

### Carbon Emissions and Climate Change Implications

25. None directly arising from this report.

### Equality and Diversity Implications

26. This report is purely a financial change of scope. Equality and diversity will be considered at the relevant stages as the project advances.

<b>Is a full Equality Impact Assessment required?</b>	<b>NO</b>
<b>If Yes,</b> Please provide a brief description of where there may be negative impacts, and for whom. Then complete a full Equality Impact assessment Form	
<b>If No,</b> Please set out your justification for why not.	
Whilst the public realm schemes, which are to be removed from scope, would have resulted in some improvements advantageous to people with protected characteristics, these particular elements were not guaranteed. The overall change in scope, therefore, does not result in any material change that would lead to negative impacts for residents sharing protected characteristics. The report sets out initial steps, timeline and budget which will be refined to reflect work planned over the remaining seven months of the project and beyond. A full EIA is not required.	
Service Director / Manager sign-off and date	N Fortt 10/08/22
Equalities Officer sign-off and date	Dave Crisfield 10 <sup>th</sup> August 2022

### Privacy Impact Assessment

There are no identified issues relating to this matter.

### Background Papers

District Executive and Full Council reports February 2022  
District Executive report July 2021