



## Executive Summary of Agenda Item No. 11

**Report title:** Hengrove Park and Hartcliffe Campus Housing Delivery

**Wards affected:** Hengrove and Whitchurch Park

**Strategic Director:** Barra Mac Ruidri

**Report Author:** Abigail Stratford and Emily Price

### Recommendation for the Mayor's approval:

1. Agree, in principle, to the comprehensive residential led development of the entire 45 hectare Hengrove Park as identified edged orange on plan at Appendix 1 and 7.7 hectare Hartcliffe Campus site as identified edged pink on plan at Appendix 1 and in accordance with paragraph 4.4.
2. Note the outcome of the South Bristol Housing Zone Feasibility Study and that a recommended delivery approach has been identified for the development of Hengrove Park and Hartcliffe Campus in accordance with paragraph 4.4.
3. Agree to the principle of ring fencing future capital receipts received from the disposal of land within Hengrove Park and Hartcliffe Campus sites identified edged red on plan at Appendix 1 to generate a financial envelope to fund the ongoing comprehensive residential led development of the sites. Future approval from Cabinet would be sought to fund any additional investment, supported by a detailed business case and options appraisal.
4. Agree to invest up to the value of £1.8m to implement the first stage of the recommended delivery approach. This will be a draw down from the existing Housing Delivery allocation within the Capital Programme for 17/18.
5. Note that Officers have submitted an expression of interest for Capacity Funding to the '*Homes and Community Agency Large sites and Housing Zones Capacity Fund*' for £800,000. If the bid is successful, it will be used to fund part of the £1.8m.
6. Authorise the Strategic Director for Place to procure a multi-disciplinary design team to secure;
  - I. Outline planning permission with design code (RIBA Stage 2) for Hartcliffe Campus
  - II. Outline planning permission with design code (RIBA Stage 2) - all matters reserved except for main vehicular access points and landscape for Hengrove Park
  - III. Full planning permission for strategic infrastructure for Hengrove Park
7. Approve Officers intentions to enter into negotiations with City of Bristol College to promote the comprehensive redevelopment of the Hartcliffe Campus site.
8. Authorise the Strategic Director for Place to submit future planning applications for Hengrove Park and Hartcliffe Campus.
9. Authorise the Strategic Director for Place to procure a developer to develop Hartcliffe Campus and Hengrove Park (serviced land parcels) in accordance with the outline planning permissions and design codes (once secured).
10. Approve Officers intention to enter into negotiations with St Bernadettes Rugby Football Club to relocate their existing facilities off site to enable the development of Hengrove Park in accordance with paragraph 4.4.

## Key background / detail:

### a. Purpose of report:

To report on the findings of the South Bristol Housing Zone feasibility that explored how the Council can use its land assets to drive the delivery of high quality housing, stimulate a market shift and create a buoyant local housing market which meets local housing need. To agree a strategy to unlock the residential led development of Hengrove Park and Hartcliffe Campus.

### b. Key details:

#### 1. The feasibility study concluded that:

- a. Council intervention is required due to the high abnormal infrastructure costs
- b. Housing led development is the priority for Hengrove Park and Hartcliffe Campus
- c. Between Hengrove Park and Hartcliffe Campus, the sites have the potential to deliver more than the allocated housing numbers.
- d. Delivering 30% affordable housing in accordance with planning policy should be financially viable if the recommended delivery approach is implemented
- e. There is the potential to create a range of parkland/open space of around 20ha at Hengrove Park
- f. The Council should secure outline planning consent with design codes for each site before procuring a development partner
- g. The Council will need to secure vacant possession of the sites prior to development
- h. As per Cabinet decision in 2005, the Council will support the relocation of St Bernadettes Rugby Club and the Scout hut facilities

#### 2. The feasibility study identified the most financially viable delivery approach is for the Council to act as master developer and install the strategic social and physical infrastructure, secure outline planning permission with design codes, and dispose of serviced land parcels to developers, with conditions to comply with the requirements of the design codes. The Council will then seek to recoup the cost of the infrastructure from the sale of serviced land parcels which will be subdivided into phases.

#### 3. To implement the recommended delivery approach the first stage of work is to secure the necessary planning consents to facilitate development. This will also include (and not limited to) public consultation, initial ground investigations, developer soft market testing and due diligence on costs assumptions currently used within the financial model.

#### 4. Approval is sought for an initial upfront investment of £1.8m is required to implement the first stage of the recommended delivery approach which would allow the council to secure the necessary planning consents and procure the developer for the first phase of delivery.



# Cabinet

07 March 2017



<b>Report Title:</b>	<b>Hengrove Park and Hartcliffe Campus Housing Delivery</b>
<b>Ward:</b>	<b>Hengrove and Whitchurch Park</b>
<b>Strategic Director:</b>	<b>Barra Mac Ruairi, Strategic Director for Place</b>
<b>Report Author:</b>	<b>Abigail Stratford, Service Manager Emily Price, Senior Project Manager</b>
<b>Contact telephone no. &amp; email address</b>	<b>0117 9224721 <a href="mailto:Emily.price@bristol.gov.uk">Emily.price@bristol.gov.uk</a></b>

## **Purpose of the report:**

This report summarises the outcome of the South Bristol Housing Zone Feasibility Study and sets out the approvals required by Cabinet to progress the residential led development of Hengrove Park and Hartcliffe Campus.

## **Recommendation for the Mayor's approval:**

- 1. Agree, in principle, to the comprehensive residential led development of the entire 45 hectare Hengrove Park as identified edged orange on plan at Appendix 1 and 7.7 hectare Hartcliffe Campus site as identified edged pink on plan at Appendix 1 and in accordance with paragraph 4.4.**
- 2. Note the outcome of the South Bristol Housing Zone Feasibility Study and that a recommended delivery approach has been identified for the development of Hengrove Park and Hartcliffe Campus in accordance with paragraph 4.4.**
- 3. Agree to the principle of ring fencing future capital receipts received from the disposal of land within Hengrove Park and Hartcliffe Campus sites identified edged red on plan at Appendix 1 to generate a financial envelope to fund the ongoing comprehensive residential led development of the sites. Future approval from Cabinet would be sought to fund any additional investment, supported by a detailed business case and options appraisal.**

- 1. Agree to invest up to the value of £1.8m to implement the first stage of the recommended delivery approach. This will be a draw down from the existing Housing Delivery allocation within the Capital Programme for 17/18.**
- 2. Note that Officers have submitted an expression of interest for Capacity Funding to the *'Homes and Community Agency Large sites and Housing Zones Capacity Fund'* for £800,000. If the bid is successful, it will be used to fund part of the £1.8m.**
- 3. Authorise the Strategic Director for Place to procure a multi-disciplinary design team to secure;**
  - I. Outline planning permission with design code (RIBA Stage 2) for Hartcliffe Campus**
  - II. Outline planning permission with design code (RIBA Stage 2) - all matters reserved except for main vehicular access points and landscape for Hengrove Park**
  - III. Full planning permission for strategic infrastructure for Hengrove Park**
- 4. Approve Officers intentions to enter into negotiations with City of Bristol College to promote the comprehensive redevelopment of the Hartcliffe Campus site.**
- 5. Authorise the Strategic Director for Place to submit future planning applications for Hengrove Park and Hartcliffe Campus.**
- 6. Authorise the Strategic Director for Place to procure a developer to develop Hartcliffe Campus and Hengrove Park (serviced land parcels) in accordance with the outline planning permissions and design codes (once secured).**
- 7. Approve Officers intention to enter into negotiations with St Bernadettes Rugby Football Club to relocate their existing facilities off site to enable the development of Hengrove Park in accordance with paragraph 4.4.**

## 1. Background

- 1.1 In 2015, the Homes and Community Agency (HCA) designated the South Bristol Housing Zone which comprised seven sites in South Bristol. The Council owns over 50 hectares of developable land within the South Bristol Housing Zone across 5 sites. The purpose of a Housing Zone is to unlock redundant brownfield land with the potential to provide viable housing developments.
- 1.2 Two of the largest brownfield sites in South Bristol are owned by the Council; Hengrove Park and Hartcliffe Campus. Although the South Bristol Housing Zone includes 7 sites, 5 of which are in the Council's ownership, this report will focus solely on Hengrove Park as identified edged orange and Hartcliffe Campus as identified edged pink on plan in Appendix 1.
- 1.3 In 2016, the HCA provided the Council with £300,000 Capacity Funding to complete the South Bristol Housing Zone feasibility study. The aim of the feasibility study was to explore how the Council can use its land assets to drive the delivery of high quality housing, stimulate a market shift and create a buoyant local housing market which meets local housing need. A priority for the Council was to find a way to unlock the residential led development of Hengrove Park and Hartcliffe Campus (**'Feasibility Study'**).

### Hengrove Park

- 1.4 In 2005 Hengrove Park received outline planning consent for mixed use development. The outline consent was not implemented however it eventually led to the delivery of what become known as Hengrove Park Phase 1 which included the Hengrove Park Leisure Centre, Skills Academy, South Bristol Community Hospital, development plots and associated infrastructure.
- 1.5 In 2014, the 2005 outline planning consent was superseded by the Bristol Local Plan, including Site Allocations which allocates the 50 hectare site for mix housing, offices, open space, small-scale retail including:
- Estimated 1,000 new homes
  - Secure large, high quality park
  - Coordinated approach to delivery, guided by community involvement
  - Integrate with Phase 1 development & existing play facilities
  - Maintain or strengthen wildlife network and incorporate sustainable drainage measures
- 1.6 In 2015 the Council marketed the first residential housing plot at Hengrove Park. A serviced plot off Whitchurch Lane. A competitive tender process was undertaken and Kier Living were selected as the developer. The site is expected to deliver 259 new homes (70% market housing; 30% affordable housing). At the time of writing it is anticipated Keir Living will submit a planning application in Spring 2017, start on site later in the year and the first new homes will be completed in 2019.
- 1.7 Around 45 hectares of land remains available for development at Hengrove Park making it the largest regeneration site in the City.
- 1.8 St Bernadettes Old Boys Rugby Football Club ('St Bernadettes') occupies part of the development land at Hengrove Park. They currently lease a club house and car park, and hire two full size rugby pitches and training area from the Council.

1.9 On 12th January 2005 Cabinet agreed to relocate St Bernadette’s Rugby Club off site subject to the outcome of a feasibility study to enable the development of Hengrove Park. However, the relocation of the club proved undeliverable due to the lack of a suitable alternative site within the local area. The club continue to operate from Hengrove Park..

1.10 The 21<sup>st</sup> (Gladstone) Scout Group (‘the Scouts’) lease a building and land which falls within the development land at Hengrove Park. On 12<sup>th</sup> January 2005 Cabinet also agreed to provide a new scout hut within any new development on Hengrove Park.

### **Hartcliffe Campus**

1.8 The former site of Hartcliffe School is allocated within the Bristol Local Plan Site Allocations for an estimated 300 new homes with a requirement to maintain or strengthen the existing wildlife network. Part of the former Hartcliffe Campus site is already under development by Knightstone Housing Association to deliver 32 new affordable homes. The remaining 7.7 hectare site is available for development.

1.9 The Hartcliffe Campus site is partly owned by the Council (5.4ha) and partly owned by the City of Bristol College (2.3ha) (See Appendix 2) together defined as the ‘ Hartcliffe Campus site’. Officers intend to enter into negotiations with the City of Bristol College to ascertain if the parties could enter into a joint agreement to bring forward a comprehensive redevelopment of the site.

1.10 If the Council are unable to reach agreement with the College, the Council will progress the development of its land in accordance with the recommended delivery approach.

## **2 Delivery Objectives**

2.1 The Council’s objectives for the residential led development of Hengrove Park and Hartcliffe Campus can be summarised as follows;

- **Inclusivity:** deliver a range of market and affordable homes that meets the City’s housing needs and people’s aspirations.
- **Quality:** Create a place where people choose and want to live, that contribute to the economic, social and environmental well-being of the City. Create a new development that can contribute positively to South Bristol, integrating with the existing communities whilst delivering high quality, diverse and integrated public realm.
- **Flexibility:** to allow the Council to respond to changes in market conditions during economic cycles ensuring continuous delivery.
- **Pace of delivery:** Establish a step change in delivery and build momentum
- **Local Employment:** Create a skilled local workforce and employment opportunities.

## **3 The Feasibility Study**

3.1 The feasibility study aimed to identify a financially viable approach for the residential led development of Hengrove Park and Hartcliffe Campus informed by a site specific urban design framework which delivers the Council’s development objectives set out in paragraph 2.1.

3.2 The feasibility study included the following;

- Housing Market Assessment
- Strategic design framework for South Bristol
- Site specific urban design frameworks for Hengrove Park and Hartcliffe Campus
- Detailed financial model and sensitivity testing of delivery options
- Sensitivity test affordable housing numbers
- Identify a bespoke delivery strategy and recommended delivery approach
- Highway modelling to inform the infrastructure requirements and phasing as well as the site specific strategic frameworks

## 4 Delivery Options

4.1 A bespoke Microsoft Excel financial model was used as a development appraisal tool. The model was set up to appraise Hengrove Park and Hartcliffe Campus sites informed by the site specific urban design frameworks. Sensitivity testing was undertaken on the delivery options (as at Section 4.2) to identify a financially viable delivery approach for Hengrove Park and Hartcliffe Campus that achieved the Council’s objectives as set out in Section 2.1.

4.2 The feasibility study tested the following delivery options;

- 4.2.1 **Developer Led:** A traditional developer led delivery approach with the developer(s) obligated to deliver both the infrastructure and development. In other words the Council’s exposure to financial risk is minimal (planning and relocations) and the scheme will be led by a developer assuming development risk.
- 4.2.2 **Council Led (Infrastructure Up Front):** The Council secures outline planning consent but also delivers the strategic infrastructure and the majority of site wide abnormal costs in order to provide serviced plots to a developer(s). The majority of the infrastructure installed at the start of the project to maximise place making opportunities, facilitate sustainable development and provide the market with certainty of the development opportunity.
- 4.2.3 **Council Led (Infrastructure Phased):** The Council secures outline planning consent but also delivers the strategic infrastructure and the majority of site wide abnormal costs in phases across the lifetime of the project to provide serviced plots to a developer or developers. The infrastructure will be installed in phases to spread the level of investment.

4.3 A summary of the Hengrove Park and Hartcliffe Campus site specific urban design frameworks which informed the feasibility study is attached at Appendix 3.

4.4 The key outcomes of the feasibility study and associated development assumptions can be summarised as follows;

- 4.4.1 **Council intervention is required due to the high abnormal infrastructure costs** - An estimated £38m of strategic social and physical infrastructure is required to unlock the development of Hengrove Park and Hartcliffe Campus. A traditional developer led delivery approach is deemed unviable due to the high peak debt required to install the necessary infrastructure
- 4.4.2 **Housing led development is the priority for Hengrove Park and Hartcliffe Campus**
- 4.4.3 **Between Hengrove Park and Hartcliffe Campus, the sites have the potential to deliver more than the allocated housing numbers.** In addition to 259 units that will be delivered by Kier Living, Hengrove Park has the potential to deliver c1400. In addition to 32 units delivered by Knightstone, Hartcliffe Campus has the potential to deliver c300 units. Calculations assume a blended density of 54 dwellings per hectare, see Appendix 3)
- 4.4.4 **Delivering 30% affordable housing** in accordance with planning policy should be financially viable if the recommended delivery approach is implemented
- 4.4.5 **There is the potential to create a range of parkland/open space totalling 20ha** at Hengrove Park
- 4.4.6 The Council should **secure outline planning consent with design codes** for each site before procuring a development partner
- 4.4.7 The Council will need to **secure vacant possession** of the sites prior to development
- 4.4.8 As per Cabinet decision in 2005, the Council will support the relocation of St Bernadettes
- 4.4.9 As per Cabinet decision in 2005, the Council will support the reprovision of Scout hut facilities.
- 4.4.10 The most appropriate sites to come forward for development first are Hartcliffe Campus or a serviced plot at Hengrove Park – both of which would have minimal infrastructure costs (subject to detailed design and planning).
- 4.4.11 **Hengrove Park assumptions**
- The site has the potential to deliver 1000-1500 housing units (subject to consultation, ground conditions, planning etc)
  - The site has the potential to create around 20ha of open space (subject to consultation, ground conditions, planning etc)
  - The Mounds are not part of Site Allocations Plan and have status of Site of Nature Conservation Interest and therefore not included within the development proposals
  - The Bottle Yard Studio will remain
  - An area to the north of the Hospital is likely to be the first site to come forward at Phase 2.
  - St Bernadettes' existing provision will be relocated off site to maximise the land available for residential development at Hengrove Park. Officers are currently in discussions with the club and the Rugby Football Union regarding future requirements.
  - Metrobus will serve the new development

#### 4.4.12 Hartcliffe Campus assumptions

- The Hartcliffe Campus site has the capacity to deliver around 300-330 units in addition to the 32 units that are currently being delivered by Knightstone.
- To maximise the development potential of the site and create a high quality it would be beneficial to work with the City of Bristol College to bring the site forward for comprehensive redevelopment.

## 5 The Recommended Delivery Approach;

5.1 The feasibility study identified the most financially viable delivery approach (which delivered the Council's objectives as set out in Section 2.1) is for the Council to act as master developer and install the strategic social and physical infrastructure, secure outline planning permission with design codes, and dispose of serviced land parcels to developers, with conditions to comply with the requirements of the design codes. The Council will then seek to recoup the cost of the infrastructure from the sale of serviced land parcels which will be sub-divided into phases.

5.2 The feasibility study also identified that in order to drive delivery at pace, development needs to focus on bringing forward the two existing serviced land parcels; at Hartcliffe Campus and/or a site that is already serviced by existing infrastructure within Hengrove Park.

### Stage 1

5.3 To implement the recommended delivery approach the first stage of work is to secure the necessary planning consents to facilitate development. This will also include (and not limited to) public consultation, initial ground investigations, developer soft market testing and due diligence on costs assumptions currently used within the financial model. Therefore approval is therefore sought to;

#### 5.3.1 Hengrove Park (1,000 -1,500units).

- Procure a multi-disciplinary design team to secure Outline Planning Consent with Design Codes (RIBA 2) and all other matters reserved, except main vehicular access points and strategic landscaping for circa 1,000 – 1,500 homes.
- Procure a multi-disciplinary design team to secure Full Planning Consent for the strategic highway infrastructure.
- Procure a developer partner to develop Hengrove Park (Serviced Land Parcels) in accordance with the outline planning permission and design codes once secured through either an open market disposal, OJEU compliant competitive process or an OJEU compliant framework.

#### 5.3.2 Hartcliffe Campus (300-350 homes).

- Continue discussions with the City of Bristol College to ascertain if the Council could enter into a joint agreement to bring forward a comprehensive redevelopment of the site
- Procure a multi-disciplinary design team to secure Outline Planning Consent with Design Codes (RIBA 2) and all other matters reserved for circa 300 homes.

- Procure a developer for Hartcliffe Campus in accordance with the outline planning permission and design codes once secured (through either an open market disposal, OJEU compliant competitive process or an OJEU compliant framework).

5.4 It is proposed the Outline Planning Consent for Hengrove Park will have all matters reserved except for the main vehicular access point and strategic landscaping to allow the Council to;

- Address local residents concerns regarding the size, location and quality of park by confirming its size and quality of provision through the planning process prior to development on site
- Lead and manage the community engagement to provide residents clarity on a number of key issues prior to development on site including but not limited to; health provision, education provision, strategic movement and access arrangements.
- Provide developers with certainty of development and de-risk the development opportunity

5.5 It is proposed the Full Planning Consent will be secured for the strategic highway infrastructure at Hengrove Park to allow the Council to;

- Submit external funding bids to secure additional investment to enable the delivery of the social and physical infrastructure up-front.

5.6 Approval is sought for an initial upfront investment of £1.8m is required to implement the first stage of the recommended delivery approach which would allow the council to secure the necessary planning consents and procure the developer for the first phase of delivery.

### **Stage 2**

5.7 The second stage of the recommended delivery approach is to secure funding to install the strategic social and physical infrastructure, create serviced development plots within Hengrove Park, confirm an appropriate route to market and bring forward the remainder of the site for development.

5.8 It is anticipated the Council may have to fund installing the strategic social and physical infrastructure in advance of development. Therefore, in principle approval is sought to ring fence future capital receipts received from the disposal of land within Hengrove Park and Hartcliffe Campus to generate a financial envelope to fund the on-going development. Future approval from Cabinet would be sought to fund any additional investment, supported by a detailed business case and options appraisal. At the time of writing, informed by the financial model, it is assumed the business case would be predicated on the assumption the investment would be self-financing over a 12 year period. Through the options appraisal the Council will also consider future management and maintenance options that could minimise the long term revenue impact on the Council.

## **6 Project Delivery**

6.1 Implicit in the recommended delivery approach is that the Council takes more direct responsibility for delivering the residential led development of Hengrove Park and Hartcliffe Campus. This will require a level of project management responsibility and expertise not currently available to the project.

As part of the Council’s new Housing Delivery Approach additional dedicated project management resources will be allocated to support the existing Senior Project Manager to deliver the project. These additional dedicated resources will be funded through the £1.8m project budget.

- 6.2 In addition, the Council’s new Housing Delivery Approach will see the establishment of a new Housing Delivery Board. The Housing Delivery Board will have oversight of the project, regularly review and actively monitor key project risks and issues and be responsible for ensuring the project is delivered on time, to budget within the agreed project tolerances.

## Consultation and scrutiny input:

### a. Internal consultation:

- City Design Team
- Building Bristol Board - The Building Bristol Project Board established to oversee the feasibility study. The board is chaired by Service Director for Economy and membership includes Service Directors for Property, Planning, Housing, Transport, Neighbourhood and a Finance Business Partner.
- Healthy Lifestyles, Healthy Place team – re sports facilities
- Energy Services

### b. External consultation:

- Hengrove and Stockwood Neighbourhood Partnership: Attended meetings and information presented to in September and December 2016
- Hengrove and Whitchurch Park Planning Forum – Attended meetings and information presented in September 2016 and January 2017
- St Bernadettes Rugby Club: Meetings held in September ‘16, December ‘16 and January ‘17 to discuss club requirements and future relocation options.
- 21<sup>st</sup> (Gladstone) Scout Group: Meeting held in December ‘16 to discuss existing facilities and future requirements.
- Rugby Football Union: Meeting held with St Bernadettes to discuss relocation options.

The Council will need to ensure there is an ongoing dialogue with residents of South Bristol and key stakeholders to ensure there is a transparent, common and consistent understanding of what is being proposed at all times.

## Other options considered:

**Do Nothing:** The sites could not be brought forward for residential led development

### **Dispose through open market without planning consent:**

Hengrove Park and Hartcliffe Campus could be marketed for disposal on the open market.

The disposal would need to be in line with current planning policy, the Council would not be able to impose any additional conditions on the development. The feasibility study concluded that this approach would not deliver the objectives set out in paragraph 2.1 as:

- The market would not be provided with certainty of development

- Council would be reliant on the developer for the pace of delivery
- A policy compliant affordable housing provision could be unviable
- Residents’ concerns about social and physical infrastructure would not be addressed
- Developers may only be interested in the two existing serviced plots

**Dispose sites with Development agreement:**

Hengrove Park and Hartcliffe Campus could be marketed for disposal through a competitive procurement process with a development agreement. The development agreement would allow the council to impose additional conditions on the development over and above planning policy. The feasibility study concluded that this approach would not deliver the objectives set out in paragraph 2.1 as:

- The market would not be provided with certainty of development
- Council would be reliant on the developer for the pace of delivery
- A policy compliant affordable housing provision could be unviable
- Residents’ concerns about social and physical infrastructure would not be addressed
- Developers may only be interested in the two existing serviced plots

**Secure detailed planning consent for Hengrove Park and Hartcliffe Campus:**

The council could secure detailed planning consent to confirm every aspect of the development in advance of procuring a developer to deliver. The feasibility study concluded that this approach would not deliver the objectives set out in paragraph 2.1 as:

- Doesn’t allow the developer to apply its knowledge to the design, layout and mix ensuring a viable development
- Significant up front cost for the Council
- Would not allow flexibility in the masterplan to evolve the design to respond to changing markets over the next 10-15 years.

**Design framework, without planning status for Hengrove Park and Hartcliffe Campus :**

The council could develop a spatial framework to guide the future development of Hengrove Park and Hartcliffe Campus. The framework could be approved by Cabinet but would not be a material consideration when determining planning applications. The feasibility study concluded that this approach would not deliver the objectives set out in paragraph 2.1 as:

- Does not give planning certainty for the developer
- Does not accelerate the pace of delivery as planning would still need to be achieved
- Developers may only be interested in the two existing serviced plots
- A policy compliant affordable housing provision could be unviable

**Risk management / assessment:**

***FIGURE 1***

**The risks associated with the implementation of the *(subject)* decision :**

No.	RISK  Threat to achievement of the key objectives of the report	INHERENT RISK  (Before controls)		RISK CONTROL MEASURES  Mitigation (ie controls) and Evaluation (ie effectiveness of mitigation).	CURRENT RISK  (After controls)		RISK OWNER
		Impact	Probability		Impact	Probability	
1	Planning consent may not be secured	High	Medium	Ensure procurement process seeks quality multi-disciplinary team. Engage through pre-application process with Local Planning Authority.	High	Low	
2	Lack of developer market interest	High	Low	Undertake soft market testing to ensure the disposal route for the first development plots attracts competitive bids from high quality residential led developer partners.	High	Low	
3	Loss of sport pitches	Medium	High	Early discussions with Sport England to discuss mitigation measures. Engage with Rugby Club and RFU.	Medium	Medium	
4	Lack of community support	Medium	Medium	Early engagement with Neighbourhood Partnership and prepare a robust community engagement strategy	Medium	Medium	
5	HCA Bottleyard grant agreement - new deal might fail/be renegotiated	Low	Low	Progress agreement with HCA and continue open dialogue	Low	Low	
6	Infrastructure Costs & Timing - the cost estimates used in the financial model are indicative so any significant changes to these costs will have an impact on viability. The timing of these costs are also key to the development cashflow, and chances to project phasing could impact on viability.	High	Medium	Undertake further work to refine cost estimates and refine development appraisals.	Medium	Low	
7	Abnormals / Ground Conditions - other developers in area are experiencing issues with ground conditions both in terms of contamination but also the general need for piling/abnormal foundations.-	High	Medium	Undertake site investigations to inform masterplanning work and refine cost implications.	Medium	Medium	
8	Sales Values - the current lack of new build stock in South Bristol means comparables are limited. The financial model has pitched sales values slightly higher than the sales values assumed the recent comparables available.	Medium	Medium	Monitor sales values around Hengrove Park; undertake soft market testing with developers	Low	Low	
9	Viability / affordability - timing of investment, the land receipts received and the impact on the overall financial cashflow	High	Medium	Sensitivity testing will be undertaken on the financial model, in consultation with the finance business partner, at each project gateway to ensure the delivery approach remains financially viable	Medium	Low	
10	Market conditions / market saturation - Housing Market Assessment has identified a lot of planned residential development in the immediate area over the next few years.	Medium	Medium	Monitor housing market, especially in early phases of development.	Medium	Medium	
11	Enable to find suitable relocation premises for rugby club	High	Low	Continue to work with the club to understand requirements and search for alternative locations.	Low	Low	
12	Enable to agree comprehensive approach to redevelopment of Hartcliffe Campus with City of	Low	Medium	Continue to work with the College to agree approach.	Low	Low	

	Bristol College						
13	Procurement of professional services, developer and contractors.	High	Low	Comply with Procurement regulations and rules	Low	Low	

### **FIGURE 2**

#### The risks associated with not implementing the *(subject)* decision:

No.	RISK  Threat to achievement of the key objectives of the report	INHERENT RISK (Before controls)		RISK CONTROL MEASURES  Mitigation (ie controls) and Evaluation (ie effectiveness of	CURRENT RISK (After controls)		RISK OWNER
		Impact	Probability		Impact	Probability	

#### Public sector equality duties:

The Public Sector Equality Duty as set out in the Equalities Act 2010 states that those subject to the equality duty, must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct that is prohibited by the Act.
- Advance equality of opportunity between people who share a characteristic and those who don't
- Foster good relations between people who share a characteristic and those who don't

In the context of this project consultation with the local community and especially those bordering on the development is key to meeting the duty. Good consultation results in everyone being able to take part regardless of their protected characteristics. The consultation plan should therefore consider each protected characteristic relevant to the area and ensure any barriers in communication with this group have been resolved. This would mean that consultation documents and methods are accessible.

An equalities impact assessment has been completed and it includes a commitment to consultation and a breakdown of the protected characteristics in that area to guide the work. It has been signed off by Anne James Equalities and community Cohesion Team Leader.

#### Eco impact assessment

The proposals in this Cabinet report will not have any significant direct environmental impacts, so no Eco-Impact Assessment checklist is needed. However, the resultant planning applications and following development will have a range of significant environmental impacts which will be assessed through the planning application process through the production of an Environmental Impact Assessment.

Verified by Giles Liddell, Environmental Performance Team.

## Resource and legal implications:

### Finance

#### a. Financial (revenue) implications:

Please see the paragraph below for the revenue implication in relation to the proposed capital investment.

#### Advice given by

#### Date

#### b. Financial (capital) implications:

The proposal seeks approval in principle of the comprehensive residential led development of the Hartcliffe Campus site and the entire Hengrove Park in the south of Bristol, and to agree on the drawn down of investment up to £1.8m to implement the first stage of the recommended delivery approach, in order to secure outline planning permission for both sites and a full planning consent on strategic infrastructure development for Hengrove Park. This sum is included in the existing Housing Delivery allocation within the Capital Programme for 17/18, subject to February full Council approval.

The upfront cost of £1.8m can be fully funded by the capital cash receipt of the first development parcel, however short-term prudential cost would be applied. The short-term (12month) cost of borrowing is around £12k.

The proposal also seeks approval in principle to ring-fence future capital receipts from the disposal of land within Hartcliffe Campus and Hengrove Park sites, in order to generate a financial funding envelope for the ongoing comprehensive residential led development of these sites over the next 20 to 25 years.

<b>Advice given by</b>	<b>Tian Ze Hao</b>
<b>Date</b>	<b>26 January 2017</b>

#### Comments from the Corporate Capital Programme Board:

Initial discussion was held at Capital Board on 14th December in preparation and inclusion into the Council wide Housing Strategy framework and financial model in readiness for the Draft Capital Programme 2016/17 – 2021/22 Appendix 2, part of the Corporate Strategy and Budget report to be presented at Full Council in February 2017.

#### c. Legal implications:

A variety of activities identified in the report give rise to procurement issues. Procurement of the professional support for the multi-disciplinary design teams will need to comply with the 2015 Procurement Regulations, and/or the Council's own procurement rules. Where the Council seeks to deliver the strategic infrastructure (eg highways) then again these works contracts will need to be procured in accordance with the Procurement Regulations/Rules. The report acknowledges that the procurement of developers(s) may also need to comply with these Regulations, depending on the nature of the contractual arrangement (ie whether or not comprising a public works contract).

The Council has the power to dispose of land 'in any manner they see fit' for the 'best price reasonably obtainable'. The duty to seek best consideration is subject to certain exceptions. These are conveyed in the Local Government Act 1972: General Disposal, which makes provision for the Council to

dispose of land where the consideration is less than the best that can reasonably be obtained, known as an ‘under-value’. In these circumstances, the Council must obtain specific consent from the Secretary of State. Consent is not required where the difference between the unrestricted value (or market value) of the land to be disposed of and the under-value is £2 Million or less.

Furthermore, section 3 of the Local Government Act 2000 provides well-being powers for an authority in certain circumstances to accept a disposal at undervalue within the £2 million threshold, where the authority considers the disposal will help it to secure the promotion or improvement of the economic, social or environmental well-being of its or where there is an identifiable need to use the capital funds raised by the disposal by a particular time

**Advice given by** Eric Andrews, Team Leader Corporate, Legal Services  
**Date** 24 January 2017

**d. Land / property implications:**

The report sets out the property implications in full and the Council’s ownership highlighted in Appendix 2. The recommended delivery approach is supported as the most appropriate route to facilitate housing led development on Council owned land at Hengrove Park and Hartcliffe Campus.

**Advice given by** Robert Orrett, Service Director Property  
**Date** 26 January 2017

**e. Human resources implications:**

The project will require the budgeted establishment to be increased by 2 full time equivalent project management roles. The costs are budgeted for in the programme budget. In the first instance, the roles will be ring fenced to eligible staff in the redeployment pool. The project will also require specialist consultancy support and advice to prepare the planning applications. This will be commissioned when required in accordance with the Council’s procurement regulations.

**Advice given by** Mark Williams  
**Date** 24 January 2017

**Appendices:**

**Appendix 1 – Plan showing extent of development area of Hengrove Park and Hartcliffe Campus**

**Appendix 2 – Plan showing ownership of Hartcliffe Campus site**

**Appendix 3 - Summary of the Hengrove Park and Hartcliffe Campus site specific urban design frameworks**

**Appendix 4 – Exempt financial commentary**

**Access to information (background papers):**

# Appendix 1 – Hengrove Park and Hartcliffe Campus



Appendix 2 –Hartcliffe Campus



# Appendix 3 – Urban design frameworks

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## South Bristol Preliminary Spatial Concept

-  Existing local centre
-  Other retail focus
-  Developable sites / **Site Allocation area**
-  South Bristol community hub (including existing hospital, leisure centre, college, cinema, play park, skate park, focal green space)
-  New local street link
-  Strategic pedestrian/cycle link
-  Existing strategic route
-  Existing highways
-  Existing street node with potential to simplify and redevelop
-  Important open space green infrastructure anchor **(Protected from Development)**
-  Green Edge retained as open space
-  Runway space to be retained as open space
-  Green infrastructure links
-  Current Metrobus route and stops
-  Potential to route Metrobus through site

Plans are subject to: public consultation, relocation of rugby club, market context, infrastructure studies, planning consent, site investigations.

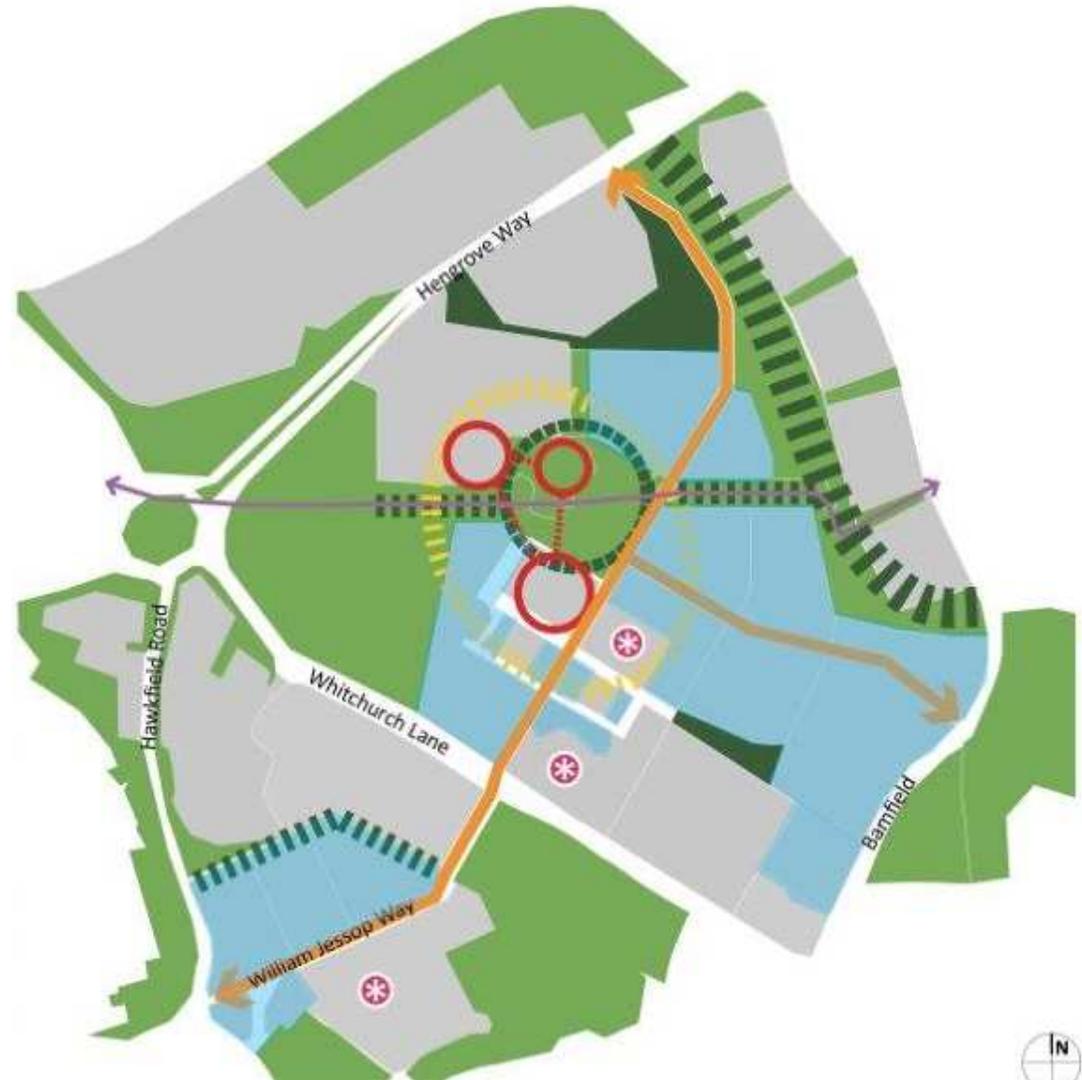


# Potential Site Capacity

Developable Area (excluding Kier Phase 1 and Knightstone) = c31.ha / 77.2 acres

Open Space Excluding the Mounds = c20 ha / 49.69 acres

Open Space including the Mounds = c33 ha / 82.14 acres



Key	
Principal Avenue	
Key cycling/pedestrian link	
Community Hub	
Key Community Facility	
Leisure Focus	
Proposed Green Space Link	
Existing Woodland Buffer Planting	
Green Space	
New Development	
Existing Development	

Plans are subject to: public consultation, relocation of rugby club, market context, infrastructure studies, planning consent, site investigations.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted