

Decision Pathway – Report



PURPOSE: Key decision

MEETING: Cabinet

DATE: 09 March 2021

TITLE	Temple Quarter Development Update		
Ward(s)	Windmill Hill and Lawrence Hill		
Author: Colin Molton	Job title: Interim Programme Director, Temple Quarter		
Cabinet lead: Mayor	Executive Director lead: Stephen Peacock		
Proposal origin: BCC Staff			
Decision maker: Cabinet Member Decision forum: Cabinet			
Purpose of Report:			
<ol style="list-style-type: none"> 1. An update on the status of the Temple Quarter Development Framework, including the publication of a strategic visioning document for Temple Quarter and an outline of the proposed approach to Engagement and Consultation for the area; 2. Approval to seek reallocation of £560k of WECA Early Investment Fund grant funding to provide capacity in both current BCC teams and the new Temple Quarter Joint Delivery Team to progress the Temple Quarter objectives; 3. Approval to bid for and use £500k of Housing and Regeneration Enabling Fund grant funding from WECA for work in Temple Quarter, including funding Joint Delivery team resource, consultancy support, and public engagement activity; 4. An update on the status of the proposed enabling works to open up and service the Temple Island site; 5. An update on the establishment of the Joint Delivery Team for Temple Quarter, the work being undertaken by the Temple Quarter Member-led Working Group and the initial work being undertaken to explore longer term delivery vehicles; 6. An update on the progress of the bid to secure central government funding to support development proposals in Temple Quarter; 			
Evidence Base:			
1. Temple Quarter Development Framework			
<p>The Temple Quarter Development Framework was commissioned by Bristol City Council, Network Rail, Homes England and West of England Combined Authority, and is intended to set out the combined aspirations and objectives of these partners through evidence-based proposals for the future development of the area.</p> <p>An update on the status of the Development Framework was brought to Cabinet in October 2020, outlining the context to the work; how and why it was commissioned, the purpose of the document, what the proposals seek to achieve, and the approach to ensuring sustainable and inclusive economic growth is embedded within it.</p> <p>Since that update a visioning document has been produced which provides a strategic overview of the proposals considered in the Development Framework (see Appendix A) this document is intended to be an accessible, non-technical, public-facing document, that will quickly allow a wide range of stakeholders to understand what is being proposed, and to prompt conversation and engagement on the future of the area. Importantly, the document references our proposed approach to future engagement and consultation which is set out in further detail in this Cabinet Paper. This underlines the Council's commitment to businesses, residents and wider city stakeholders, and sets out an approach for how everyone can help to shape the proposals.</p>			

The Development Framework itself will be shaped and refined as this further engagement and consultation takes place, and the views and feedback of stakeholders are taken into account, prior to publication of the completed document.

2. Engagement Approach

The partners are committed to engaging with businesses, residents and wider city stakeholders, with an approach that enables city communities to help shape proposals effectively and in a timely way. We are currently working on a detailed plan for engagement and consultation over the next year.

Our approach to engagement and consultation recognises that there is significant interest in the development of the whole area at a local, citywide and regional level. It also recognises that there are active local communities, businesses and organisations that have already been involved in the early stages of developing ideas and concepts and who have an ongoing interest in planning the future of Bristol Temple Quarter and St Philip's Marsh.

The Development Framework will set out distinct areas for change within the Temple Quarter and St Philip's Marsh regeneration area. Engagement and consultation will reflect how far progressed current plans are; for instance within the Development Framework plans for Temple Meads are at a greater level of detail than plans for St Philip's Marsh, which are at a much earlier stage.

We are proposing the following:

1. We will hold public engagement on an emerging Bristol Temple Quarter and St Philip's Marsh Development Framework in Summer 2021 – this will be digitally based and where possible will include face-to-face events, conversations and activities if the situation with Covid-19 allows. It will include engagement on the draft plans for Temple Meads station and the area surrounding it, and the higher level frameworks for Temple Gate, Mead Street and St Philip's Marsh areas.
2. Network Rail will continue to lead on ensuring commuters, local communities and stakeholders are well informed of upcoming changes to Temple Meads Station with the support of partners.
3. For St Philips, Mead Street and Temple Gate, over the next 12 months we will:
 - a. prioritise opportunities for conversations and workshops with local businesses to support the development of plans for each of these areas;
 - b. create ongoing opportunities for conversations and workshops with local community organisations, and local residents to ensure community voices are heard in shaping the development of plans for each of these areas;
 - c. create opportunities for city-wide engagement to support the development of plans for each of these areas.
4. For the areas around Bristol Temple Meads station we will engage with local businesses, transport organisations and city stakeholders in Summer 2021 followed by wider public consultation on designs later in 2021/early 2022, recognising the importance of this area as a core interchange for multiple modes of transport, in, around and out of Bristol.
5. We will provide feedback from the consultation on the Character Appraisal at Silverthorne Lane and next steps on whether a conservation area will be designated.
6. We will provide information, engagement and consultation close to where people live and work to enable as many people as possible to get involved.

Two initial community roundtable discussions have already been arranged with key stakeholders in March 2021 as part of this process.

The Temple Quarter Member-led Working Group (see Section 5 of this report) will play a key role in the further development and roll-out of these proposals.

3. Change Request

A revenue grant of £2m was allocated by WECA through the Early Investment Fund in April 2018 to progress feasibility and masterplanning work for Temple Meads station, and early work on the surrounding development area in Temple Quarter and St Philip's Marsh. An update on the status of this work is outlined in Section 1 of this report. Of this budget, it is proposed that £560k is reallocated towards funding key posts to support delivery of the Temple Quarter objectives, both within Bristol City Council's current teams and within the new Temple Quarter Joint Delivery Team. This funding would otherwise have been used to progress early design work relating to Temple Meads station, but it is expected that this work will now be funded subject to a successful outcome of the Outline Business Case for investment around Temple Meads station (see Section 6 below).

Reallocation of this funding is subject to WECA's change control process. The spend to date of this budget is £1,145k, and is forecast to be £1,242k by the close of this financial year. The total budget proposed to be carried over into next financial year is

£758k.

In addition to reallocating £560k of Investment Fund grant funding to fund key posts within the team, it is proposed that a bid is also submitted for £500k of funding from the WECA Housing and Regeneration Enabling Fund for this purpose, as well as for required consultancy support and for engagement and consultation activity.

4. Enabling Works to Temple Island

Approval from WECA of the Council's £32m bid for funding for enabling works to open up and service the Temple Island site was given at the Joint Committee on the 9th October 2020, subject to satisfying a number of conditions which are currently being addressed. Since then, extensive further work has been ongoing to determine the precise works packages to be funded from the £32m allocation. Some additional works will be undertaken to (i) repair the river wall/bank following more detailed surveys; (ii) construct a temporary haul road to facilitate construction on and around Temple Island by the Council, Network Rail and the University of Bristol prior to the proposed L & G scheme commencing; and (iii) carry out detailed feasibility work to the Southern Gateway pedestrian and cycle access arrangements. Requests will be made in due course to WECA to secure their approval to any variations required, and further reports brought to Cabinet in the event that any de-scoping of enabling works is required or changes to the financial arrangements set out in the report and supporting papers taken to Cabinet in February 2020. The financial cap of £32m in relation to the commitment to L & G in relation to enabling works remains unchanged.

5. Joint Delivery Team, Governance and Future Delivery Capacity

Approval was given at the October 2020 Cabinet meeting for the Executive Director for Growth and Regeneration, in consultation with the Mayor, the S.151 Officer, and Director of Legal Services to finalise plans for the establishment and operation of a Joint Delivery Team (JDT) for Temple Quarter. The report for the meeting outlined that the principal public sector funders and delivery bodies with an interest in Temple Quarter (Bristol City Council, WECA, Network Rail and Homes England) have agreed the need to strengthen the collaboration between them as work moves from master planning into scheme delivery, and establish appropriate delivery capacity whilst exploring a range of options for longer term delivery structures.

Since the Cabinet meeting in October 2020, specialist recruitment consultancy firm Gatenby Sanderson has been engaged to seek to recruit a Director to lead the new Joint Delivery Team, and this process is now underway.

Alongside the establishment of the JDT, preliminary work has been commissioned to look at case study examples of delivery vehicles that have been established around the country to oversee the delivery of major regeneration programmes. As reported to the October Cabinet, a Member led Working Group has now been formally established to inform and help shape the regeneration of Temple Quarter. Jointly chaired by Cllr Nicola Beech and Cllr Paula O'Rourke, the Working Group met for the first time on the 22nd January and a Chair's Report submitted for noting at the Growth and Regeneration Scrutiny Committee meeting on the 28th January. It should be noted that this group will function alongside existing Scrutiny processes and will be in addition to current requirements around Scrutiny. It is intended that this Member led Working Group will play a key role going forward in looking in detail at the Development Framework, shaping the detail and roll-out of the proposed Engagement Strategy and considering options for the most appropriate delivery routes, including, in the future, the possible establishment of an arm's length body.

6. Single Housing Infrastructure Fund (SHIF) Bid

An update was given at the October 2020 Cabinet meeting that the Temple Quarter project partners had been working to secure central government funding for enabling infrastructure to support the first catalytic phase of regeneration in the area. Following earlier feedback, the business case was being developed from a Strategic Outline Business Case to an Outline Business Case level of detail to enable the best chance of securing funding.

The Outline Business Case (OBC) is for £95.8m of grant funding that will unlock delivery of new homes, jobs, public spaces and improved transport connectivity in the first phase of regeneration around Temple Meads station. If successful, grant money would be used to deliver much needed improvements to station entrances and the surrounding environment to the station. The OBC has been co-developed between the project partners (BCC, WECA, Network Rail and Homes England), and has now been submitted by WECA to Homes England and MHCLG for review. There has been detailed discussion and engagement with the Department on the business case, which is ongoing. The business case currently indicates that the project represents high value for money, and positive feedback has been received on its strategic alignment with local, regional and national policy objectives.

It was anticipated that the business case would be a submission to a new major funding programme that was to be established, namely the Single Housing Infrastructure Fund (SHIF). However, the Autumn Spending Review was limited to one-year funding packages, and did not include new multi-year spending programmes, and as a result, it is now likely that SHIF will be superseded

by proposals for other major funding programmes. This does not affect the business case, and partners are continuing to work with the Department to establish the best route forward. To enable work to take place within existing construction constraints, a funding decision is required by March 2021. It is possible that an announcement will be made on future funding streams at the 3rd March Budget, and if so, we will give a further update to Cabinet.

Cabinet Member / Officer Recommendations:

That Cabinet:

1. Authorises the Executive Director for Growth and Regeneration, in consultation with the Mayor and the Working Group to finalise and implement proposals for detailed engagement and consultation for the Temple Quarter Development Framework as set out in the report.
2. Authorises the Executive Director of Growth and Regeneration, in consultation with the Mayor, Deputy Mayor, Finance Governance and Performance, the S.151 Officer, and Director of Legal Services to seek reallocation of £560k of WECA Early Investment Fund through WECA’s change control process and to bid for and use £500k of Housing and Regeneration Enabling Fund grant funding and to defray those monies on staffing costs in accordance with the WECA approvals.
3. Authorises the Executive Director for Growth and Regeneration, in consultation with the Mayor, Deputy Mayor, Finance Governance and Performance, the S.151 Officer, and Director of Legal Services, to agree the final schedule of enabling works to support the opening up and servicing of the Temple Island site, to secure the variation of any WECA approvals necessary, and to defray this funding in accordance with the terms of the funding decision and in line with all appropriate procurement routes.
4. Authorises the Executive Director of Growth and Regeneration, in consultation with the Deputy Mayor, Finance Governance and Performance, the S.151 Officer, and Director of Legal Services to agree the detailed terms on which any monies allocated to the Temple Quarter project by central government are received by the four parties to the bid (BCC, WECA, Homes England and Network Rail), to agree the detailed terms of the Inter Authority Agreement between the partners to defray such monies, and to receive and defray any portion of those monies subsequently allocated to the Council under separate project Funding Agreements.
5. Notes that further reports will be received setting out progress with the actions set out in the report and the Development generally.

Corporate Strategy alignment: The proposals align with a number of corporate priorities, including:

- Develop a diverse economy that offers opportunity to all;
- Deliver 2,000 homes, of which 800 are affordable, built in Bristol each year by 2020;
- Develop an inclusive economy that offers opportunity to all and makes quality work experience and apprenticeships available to every young person, and;
- Reduce social and economic isolation and help to connect people to people, people to jobs and people to opportunities.

City Benefits: Significant city benefits are anticipated to accrue through the redevelopment of the University Campus, Station redevelopment and development of the Temple Island site. Overall the Temple Quarter regeneration programme is anticipated to deliver 22000 new jobs, over 10000 new homes and an economic uplift to the local economy in the region of £1.6billion per annum from 2041.

Consultation Details:

Please see section 5 above in Evidence Base

Background Documents: N/a

Revenue Cost	£1.1m	Source of Revenue Funding	WECA – Investment Fund, Housing and Regeneration Enabling Fund
Capital Cost	£	Source of Capital Funding	

One off cost <input type="checkbox"/>	Ongoing cost <input type="checkbox"/>	Saving Proposal <input type="checkbox"/>	Income generation proposal <input type="checkbox"/>
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Required information to be completed by Financial/Legal/ICT/ HR partners:

1. Finance Advice:

The Council was awarded a revenue grant of £2m Early Investment Fund by WECA in April 2018 to progress feasibility and masterplanning work for Temple Meads station, and early work on the surrounding development area in Temple Quarter and St Philip’s Marsh. Existing works has already committed over £1.2m of this fund and this report seeks approval to repurpose £560k of the £758k carried forwards to fund the JDT team. The report is also seeking approval to bid for and approval to spend (if awarded) £500k of a newly created Housing and Regeneration Enabling WECA Fund also fund the new JDT team.

The report notes the progress to date against the enabling works for Temple Island, and that additional works have been identified and outlines what works will be carried out. Cabinet is asked to note that requests will be made in due course to WECA to secure their approval to any variations required, and further reports brought to Cabinet in the event that any de-scoping of enabling works is required or changes to the financial arrangements set out in the report to Cabinet in February 2020. The financial cap of £32m in relation to the commitment to L & G in relation to enabling works remains unchanged. There are no new costs implications, and it is intended that all the enabling works will be funded from within the £32m EDF funding approved by WECA (subject to conditions)

There is a risk that project scope could gradually increase, and that the current funding could prove insufficient to cover obligations required. To mitigate this, Cabinet agreed a £32m cap on funding, and it is expected that the enabling works will be prioritised so as to achieve the original objective without resulting in any extra financial burden to the Council or effect on the financial viability of the Temple Island proposition.

Finance Business Partner: Kayode Olagundoye, Interim Finance Business Partner, Growth and Regeneration, 25/02/2021.

2. Legal Advice: The nature and detail of the proposed arrangements establishing the Joint Delivery Team (including the resources and other commitments being given by each party) will be subject of an Inter Authority Agreement. The procurement of all enabling works in connection with the Temple Island site will need to comply with the necessary procurement regulations and council rules.

The development of a consultation plan for the Framework is at an early stage, but it will be important that the plan meets the Councils usual requirements of ensuring that proposals are consulted on at a formative stage, that sufficient reasons are given and adequate time allowed for consideration and response. The October 2020 report included a detailed Equality Impact Assessment, the content of which remains applicable.

Legal Team Leader: Eric Andrews, Legal Services, 23.2.2021

3. Implications on IT: No anticipated impact on IT Services

IT Team Leader: Simon Oliver, 29.01.2021

4. HR Advice: The report seeks approval to reallocate £560k of Investment Fund grant funding to resource new key posts within the JDT, that will be housed both within BCC’s current teams and within the new TQ JDT. This is in addition to the existing BCC staff who are ‘assigned’ to the JDT project team. Recruitment to the Director post is currently underway. There will be HR implications associated with the longer term establishment and operation of the JDT delivery vehicle, and HR advice will be provided on an ongoing basis.

HR Partner: Celia Williams, HR Business Partner Growth and Regeneration, 1 March 2021

EDM Sign-off	Stephen Peacock	01/03/21
Cabinet Member sign-off	Mayor	01/03/21
For Key Decisions - Mayor’s Office sign-off	Mayor’s Office	01/03/21

Appendix A – Further essential background / detail on the proposal	YES
Appendix B – Details of consultation carried out - internal and external	NO
Appendix C – Summary of any engagement with scrutiny	NO

Appendix D – Risk assessment	YES
Appendix E – Equalities screening / impact assessment of proposal	YES
Appendix F – Eco-impact screening/ impact assessment of proposal	YES
Appendix G – Financial Advice	NO
Appendix H – Legal Advice	NO
Appendix I – Exempt Information	NO
Appendix J – HR advice	NO
Appendix K – ICT	NO
Appendix L – Procurement	NO