

SLOUGH BOROUGH COUNCIL

REPORT TO: Overview and Scrutiny Committee **DATE:** 3 March 2016

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PART 1 **FOR COMMENT AND CONSIDERATION**

SLOUGH URBAN RENEWAL UPDATE

1 Purpose of Report

The purpose of this report is to provide an update on existing projects being developed via Slough Urban Renewal (SUR).

2. Recommendation

The Committee is requested to note the report.

3. The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan

The creation of expediently delivered, high quality new housing and civic assets will maximise the value of the Council's asset base, increase council tax receipts and provide an income stream that can be used to contribute towards the provision of front line services.

3a. Slough Joint Wellbeing Strategy Priorities

The SUR delivers on the following priorities:

- **Regeneration and environment:** the SUR is a special purpose vehicle that is helping deliver a range of regeneration projects improving the environment across the town.
- **Housing:** SUR is delivering 178 new houses and flats from the first two development sites (Ledgers Road and former Wexham Nursery) and potentially many more over the 15 year life of SUR.
- **Economy and skills:** building the Curve, new leisure centre and community sports facility in addition to identified sites for housing will bring direct benefit to the local economy and local skills base. SUR is implementing a local economic benefit programme (SMEs, training, apprenticeships etc) so the more activity of SUR, the greater the potential benefit in relation to job creation. A concerted effort is being made to engage local businesses in the supply chain and incorporate training opportunities for people employed in the construction process and a 'Meet the Partner' event for local suppliers and training providers is being arranged for April 2016. It has recently been accredited by CITB as a National Skills Academy. and a monitoring and reporting system is being created so that there is a formal reporting procedure and KPIs moving forward.

- The actions of SUR will contribute to improving the image of the town through the construction of the Curve; demonstrate the Council's commitment to the regeneration of the Heart of Slough through substantial public investment in the town centre and through a considered and innovative approach to the design of new developments on key sites.
- Value for money: SUR is expected to achieve a higher rate of return when assets are eventually sold when compared to traditional routes for disposal. For example on Ledgers Road Slough received an independently verified "market value" for the land but will also participate in the development profit once the private units start to sell.

3b Five Year Plan Outcomes

By working effectively and expediently with the council SUR is addressing the five year plan outcomes:

- Quality new homes are encouraging people who work in Slough to also live in Slough which will in turn help businesses of all sizes to locate, start, grow and stay,
- The homes being delivered directly address the need for more homes in the borough, with quality improving across all tenures,
- The central sites such as Alpha Street will contribute towards keeping the centre of Slough a vibrant location to live,
- Continuing to design schemes with security as a priority will help to ensure Slough is a safe place to live; all sites will aim to achieve Secure By Design certification,
- Quality homes will attract upwardly mobile residents who are more likely to take responsibility for their own health, care and support needs,
- Brand new leisure facilities and continuing to ensure that residential schemes are designed in line with amenity requirements will contribute towards children and young people in Slough being healthy and resilient,
- Participating in the development risk will ensure that the Council's income and the value of its assets are maximised,
- Re-furbishing and extending currently owned properties will make the best of existing housing stock; and
- Increasing the supply of affordable housing will help prevent homelessness where possible.

4 Other Implications

(a) Financial

There are no financial implications arising from this report.

(b) Risk Management

There are no risks arising from the recommendations in this report.

(c) Human Rights Act and Other Legal Implications

There are no Human Rights Act implications associated with this report.

(d) Equalities Impact

There are no Equalities implications associated with this report

5. Supporting Information

- 5.1 Slough Regeneration Partnership (“SRP”) was established in 2013 and is a joint venture Limited Liability Partnership between the Council and Morgan Sindall Investments Limited (“MSIL”). Following a typical Local Asset Backed Vehicle (“LABV”) approach, the Council invests primarily through its land assets and MSIL invests primarily through finance and/or provision of services. The company was rebranded in 2015 and now trades under the name of Slough Urban Renewal (“SUR”).
- 5.2 SUR has developed into a key enabler of the Council’s regenerative and commercial policy. The company is building both council infrastructure, such as the Curve building, as well as major housing and commercial schemes across the borough.

Partnership Business Plan

- 5.3 The first Partnership Business Plan (“PBP”) was adopted by Slough Regeneration Partnership and by the Council in March 2013. The PBP sets out the strategic direction of the Partnership, with governance arrangements and operational business arrangements.

The Agreement requires that the PBP is updated annually and is formally agreed by both partners. For SBC, Cabinet is the identified decision making body. The next PBP is scheduled to be considered by Cabinet in June 2016.

Community Projects

- 5.4 The construction of the Curve is well underway. Since the last formal report to Cabinet some unanticipated site issues have come to light that have delayed the opening until summer 2016. Upon completion, the Curve will be Slough’s premier library and cultural centre, housing a brand new library, cafe, museum, performance venue, learning rooms and computer suite.

Meetings have been held between senior officers of the Council, SUR and Morgan Sindall Construction & Infrastructure (the main contractor) to ensure improved communication and reporting lines are in place, earlier communication and escalation of any adverse issues and clear roles and responsibilities for future projects.

- 5.5 The Arbour Park project has evolved over several years as a way to maximise the use of the vacant site created by the relocation of Arbour Vale Special School in 2007. The Arbour Park development strategy comprises three SBC-led projects that are being built by SUR in tandem with the new Lynch Hill Free School. These are:
- The first phase of a new Community Sports Facility will be complete by August 2016 with the entire facility completed by spring 2017.
 - A 4 court sports hall, MUGA and some internal reconfiguration for St Joseph’s Catholic High School, and

- The remodelling of Orchard Youth and Community Centre to facilitate the relocation of the Creative Academy from the West Wing to be complete in March 2016.

Commercial Projects

- 5.6 The first SUR house building project went on site at Ledgers Road (marketed as 'Milestone' and named after the listed milestone on Bath Road) in August 2015 and will provide 50 homes for sale and 23 homes for rent. It is anticipated that the 23 social rented units will be handed over to the Council by November 2016 and that the whole site will be completed by January 2017. Marketing of open market homes is being targeted at local and first time buyers (rather than investment purchasers) and the site has been registered for Help to Buy.
- 5.7 Planning permission was granted in February 2015 (subject to completion of a s106 agreement) for 104 houses on the former Wexham Nursery site. This project includes 34 social rented houses that will be purchased by the HRA and will be available for Slough residents on the housing waiting list. Construction will start later in 2016 and the first completed homes will be available in late 2017.

Small Sites Strategy

- 5.8 Having considered options for the redevelopment of small Housing Revenue Account ("HRA") sites, Cabinet has agreed that these should also be developed by SUR. This has the potential to introduce over 100 additional new build homes within the next three years. An update report will be considered by the Cabinet on 14 March 2016.

6. Comments from other Committees

None.

7. Appendices

None