

SLOUGH BOROUGH COUNCIL

REPORT TO: Cabinet **DATE:** 13th July 2020

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WARD(S): All

PORTFOLIO: Regeneration and Strategy Portfolio – Councillor James Swindlehurst
Housing and Community Safety Portfolio – Councillor Nazir

PART I **KEY DECISION**

TRELAWNEY AVENUE REDEVELOPMENT – UPDATE AND RESTART

1 Purpose of Report

- 1.1 To update members on the withdrawal of KDL from the Trelawney Avenue development due to the changed financial climate caused by the COVID-19 pandemic and to seek approval to otherwise proceed with the development as previously agreed. Slough Borough Council will now solely deliver and manage this mixed-use project, which will provide a new Council Access Point (Referred to in earlier reports, issued prior to the approval of the Council's Localities Strategy, as a 'community hub building') and up to 32 affordable properties. As previously agreed the new Council Access Point will incorporate Langley Library.

2 Recommendation(s)/Proposed Action

Cabinet is requested to resolve:

- a) That it be agreed that the Trelawney Avenue development proceeds, with delivery of a Council Access Point and new housing accepting that a separate healthcare facility is no longer possible;
- b) That Langley Library be incorporated into the Council Access Point and officers explore alternative uses for the existing library accommodation;
- c) That a flexible healthcare/consultation space be provided within the new CAP for use by NHS and Public Health partners;
- d) That Slough Borough Council enter into a Pre-Contract Services Agreement with Slough Urban Renewal that will develop the scheme up to and including planning approval;
- e) That once the viable scheme design is agreed a further report is brought back to Cabinet to report on budget requirements and seek approval to enter into contract for the delivery of the scheme.

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

The proposal to build a combination of housing and Council Access Point (“CAP”) containing community facilities and a healthcare space on the Trelawney Avenue site will meet the strategic requirements of Slough Borough Council (“SBC” or “the Council”).

In line with the Council’s Accommodation and Localities Workstream, council staff, including Adult Social Care, Housing functions and Community Services along with partner organisations and the voluntary sector specialists will be co-located on the site. This will facilitate the development of professional relationships and services to better support local residents through a more integrated “locality based” approach to delivering public services. The services delivered from each Council Access Point will be tailored to the needs of the community using a combination of meaningful community engagement and data and insight to effectively target the most pressing issues present.

3a. **Slough Joint Wellbeing Strategy Priorities**

Improving mental health and wellbeing – the new Council Access Point includes a multi-function space for delivery of NHS and public health services, like physiotherapy outreach, diabetes prevention and health checks. The Council Access Point will support service delivery and provide community spaces including meeting rooms and a hall in modern, fit for purpose accommodation. The proposals will support the Council to fulfil its statutory duties under the Care Act 2014, to promote an individual’s wellbeing (S1 of the Care Act 2014) through preventative measures that focus on community resilience.

Housing - The Strategy provides much needed homes in the Borough which will help Slough meet its housing targets associated with the Local Plan.

3b **Five Year Plan Outcomes**

- Outcome 2 – A new CAP will support the delivery of Council services in the local area to help residents to be healthier and manage their own care needs
- Outcome 3 – New community facilities and new homes will encourage people to live, work and stay in Slough
- Outcome 4 – Inclusion of new social housing will contribute towards more residents having access to more good quality homes.

4 **Other Implications**

(a) **Financial**

Entering into a Pre-Contract Services Agreement (“PCSA”) with Slough Urban Renewal (“SUR”) to carry out the required surveys and work up the scheme to the point of planning approval will commit the council to an estimated investment of up to £900K.

Whilst the cost plan is being developed, the working assumption is that the total cost of the project will be £12m. This estimate is based on an assumption that 32 flats are provided along with a CAP of c1100m² floor area. The funding of the development

will be achieved through a combination of institutional finance, HRA account and the general fund with a recommendation brought back to cabinet in due course.

The Council's capital programme has £10m earmarked for delivery of the new CAPs planned through the Localities Strategy. It is assumed that the net cost of the Trelawney CAP currently estimated at £4.3m would be met from this budget.

The full revenue implications of the new CAP incorporating Langley Library will be set out in the follow-up report to members once the scheme has been designed and is ready for submission for planning.

(b) Risk Management

Risk	Mitigating action	Opportunities
Property The multi-function healthcare space is not used.	Work with the CCG and partners to tailor the new facilities to meet their needs.	Engage with other partners through the Slough partnership conference to be held in July to highlight other potential partnership opportunities.
Insufficient staff usage of the office accommodation.	Accommodation fully incorporated into the Council's Accommodation and Localities Strategy to ensure the Serviced Office is fully utilised. Design flexible accommodation that could be adapted for alternative letting arrangements.	Further enhance the design to embrace the cultural and behavioural changes which have occurred during the COVID-19 Pandemic.
Current Langley Library not able to be let.	Speak to partner agencies about possible use. Consider splitting to create 2 retail units.	
Finance Insufficient income to fund the running costs of the community areas.	Build the cost implications of operating the community space into the MTFP to ensure continued delivery.	Measure the social value of providing community space through the Locality Plans. Explore commercial opportunities to support the cost of community space.
James Elliman Homes ("JEH") do not acquire all the flats or there is a gap between the purchase price and construction cost per flat	Ensure design and specification meets JEH standards. Deliver homes at market comparable rates. Option that small number of flats could be private sales.	

Planning The proposed development does not meet planning policy requirements.	Consultation has been undertaken with Planners and will continue through the development cycle. Community facilities and housing will be re-provided to replace what was originally on the site.	The redevelopment of this site will enhance the local built environment and promote other development.
Highways Due to constraints linked to the size of the site, the mixed-use scheme has insufficient car parking to balance the needs of the CAP and residential uses.	Tailor the design and reduce the number of dwellings provided on the site to deliver a CAP that meets the Council's requirements.	Promote alternative transport options to facilitate travel to the Council Access Point and the residences.
Timescales Contract/lease agreement for Hawker House continues after the CAP is complete introducing potentially unnecessary cost.	Keep teams updated and ensure that any lease renewals/break clauses are timed to match the completion of the new CAP.	
IT Serviced offices are underutilised.	Council's IT strategy for more mobile working supports the localities model.	New facilities will be purpose built to meet the changing requirements of the Council.
Legal Disputes or challenges lead to delays.	Site is unoccupied and all buildings have been demolished. Any title issues to be researched and resolved. Any rights (e.g. rights of light, party wall) to be fully investigated	

(c) Human Rights Act and Other Legal Implications

The report will not impact on Human Rights of the local population.

(d) Equalities Impact Assessment

An EIA has been undertaken for the Localities Strategy. The impacts can be summarised as:

Positive: Once fully realised, the locality operating model will improve access to a wide range of local services for all groups. It will make services more inclusive, embracing a wider range of customer interfaces, tailored to local community needs.

Negative: Negative impacts for some groups will be most apparent in the short term, as people adjust to a new operating model and services increase their understanding of specific local needs and adjust accordingly.

(e) Workforce

The CAP at Trelawney Avenue will support the Council's move to the new Headquarters in Windsor Road and will complement the IT strategy and move towards mobile working for staff. Staff located in other offices will have the opportunity to use the desks within the Trelawney Avenue CAP as well as book rooms for meetings and to meet customers and partners. In addition, the core localities team will have a new home.

(f) Property

The land proposed to be developed is presently held for housing purposes under Part II of the Housing Act 1985. It was agreed by the Cabinet on 23 February 2019 to appropriate the site for other uses by the Council. Under this updated proposal the HRA would retain the majority of the site.

(g) Carbon Emissions and Energy Costs

The new CAP and housing will be built to modern energy efficient standards and comply with current building regulations.

The new CAP may provide staff with the opportunity to work closer to home; subject to demand and the exigencies of the relevant services. This will potentially mean shorter car journeys and therefore fewer Carbon Emissions with less travel and journey time to work and in visiting clients.

5 Supporting Information

- 5.1 The Trelawney Avenue development has been affected by significant changes since the Cabinet approval given in February 2019. The first section below describes these changes and progress made since the Cabinet meeting when the project included a Health Facility and CAP to be delivered by KDL. Then accepting that KDL will no longer be involved in the project the remainder of this section demonstrates how the updated approach is more closely aligned to the Council's Localities Strategy and Housing Strategy and highlights new opportunities.

Background – Working with Karter Developments Limited (“KDL”)

- 5.2 The report approved by Cabinet in February 2019 set out the general terms of a deal with KDL. A few months' later work to finalise the legal documents between KDL and SBC were halted once it became apparent that a legal decision in the Faraday Case affected the project. The findings of the case meant it was no longer possible for the council to sell land to KDL with obligations attached. Without obligations that a health centre be provided SBC could no longer justify selling the land to KDL rather than procure a buyer.
- 5.3 In order to continue with the project, fully comply with procurement law and ensure a healthcare facility was opened it was agreed that Slough Urban Renewal (“SUR”)

would deliver the project for SBC, with KDL appointing SBC to deliver their facilities on their part of the site. The relevant suite of documents to proceed with this structure was in an agreed form at the start of March 2020.

- 5.4 The negative impact of COVID-19 on the financial market was becoming apparent at this time and shortly afterwards KDL informed SBC that their financial backers had withdrawn and were no longer investing in any new schemes. Further discussions failed to find an alternative avenue for proceeding in partnership with KDL.

Revised Health Element

- 5.5 The business case for partnering with KDL was based on them being the landlord for the Orchard Surgery. As the CCG will not support any expanded surgery provision in this area of Slough, only relocation of the existing GP Practice from Orchard Avenue could deliver the health facilities envisaged by SBC on the Trelawney site. Without KDL on board it is no longer possible to include the health element envisaged for the site.
- 5.6 To ensure that SBC continues to meet the overall objectives of the Trelawney Avenue project, the Council now intends to provide a flexible, multi-use space for healthcare professionals from the NHS and Public Health to hold regular sessions within the new CAP. Discussions will be held with the CCG around the best ways of design and utilise the space to meet local need.

Looking Forward - Opportunities

- 5.7 While the withdrawal of KDL and loss of the healthcare facility has required that the Council pause, it has not stopped and still intends to deliver the majority of the original aims and objectives. In fact, a number of opportunities have arisen as the consequence of SBC taking sole responsibility:
- The CAP can be located with a Trelawney Ave frontage rather than face onto Meadow Road
 - The CAP footprint can be configured to suit Slough rather than fitting within a complex site layout – for instance Langley Library can be relocated at the Council's discretion rather than being dependent on site capacity limits
 - Importantly, the project will deliver affordable homes for Slough rather than private rented properties previously planned by KDL, which will create more positive outcomes associated with the Housing Strategy
 - Deliverability increases as the planning risk associated with the car parking requirements of a medical facilities is no longer an issue.
 - The possibility that KDL pulls out mid-scheme due to viability or other reasons is no longer a project risk
 - The timescale for delivery will be improved as the layer of agreements with KDL will not be required and decision making will sit with the Council alone rather than 2 parties.

While opportunities have been noted here it is worth reflecting that the COVID-19 pandemic is likely to continue to affect the construction industry in many different ways, not least by creating uncertainty, for some considerable time. This is both a risk and an opportunity for this project as part of the Recovery Strategy.

Revised Project Deliverables

- 5.8 Cabinet gave approval in February 2019 to move ahead with a project that delivered a CAP, healthcare facility, housing and a co-located Langley Library if that was possible. The withdrawal of KDL from the project means that the Library can now relocate with far more certainty and the project can achieve 3 of the 4 original deliverables.

CAP: The business case for creation of a CAP on the Trelawney site as set out in the February 2019 and March 2019 Cabinet reports remains relevant. Development of the Our Futures programme over the last 14 months has placed locality working as a key priority within this transformational programme. The loss of the healthcare facility, while it reduces the services offered on the site does not affect the strategic rationale for locality based working. The CAP is still required and a healthcare space if introduced could support local need.

Library: A fundamental aim of the localities model is to offer a range of services within a single site. Co-locating Langley Library into the CAP supports this model, reduces journeys for visitors and increases CAP interactions by the local community.

Housing: Use of the remainder of the site including upper floors of the CAP will be utilised for affordable housing which will support the council in meeting its housing targets.

Other options considered:

Commercial uses: The vacated Langley Library accommodation could be used for commercial purposes if required.

Nursery: New nursery provision is not required in the local area based on the latest Childcare Sufficiency Assessment.

Langley Library

- 5.9 One of the decisions taken by Cabinet in February 2019 was that officers explore options for co-locating Langley Library into the new CAP. The withdrawal of KDL from the project means that land for relocation is now available and the uncertainty is removed.
- 5.10 Based on the Britwell CAP model it should be possible to efficiently design the library space such that an additional 270m² of floor space added to the CAP floor area could re-provide the Library without loss of useful floor space or amenity compared to the existing facility. However, the final design and floor area of the Library will be determined by the design brief rather than being led by a pre-determined floor area target. The floor area of the current Langley Library accommodation is 475m² including all internal areas. It will not be necessary to add 475m² to the floor area of the CAP to re-provide the Library as a certain percentage of accommodation will be included within the CAP design anyway, areas such as meeting rooms, staff areas and toilets. Further efficiencies will be possible by combining entrances and by the use of shared circulation spaces.

6 **Comments of Other Committees**

None

7 **Conclusion**

7.1 After an enforced delay to the project the revised proposals recommended in this report will allow the Trelawney Ave project to restart and the appointment of SUR will enable the design stage to get underway in the most expedient way.

7.2 With KDL is no longer a partner, the Council has greater flexibility and control to develop the site in a way that maximises the outputs and outcomes for local residents, which includes SBC taking control for the delivery of circa 32 affordable housing properties.

8 **Appendices Attached**

None

9. **Background Papers**

Cabinet report dated 25th February 2019 "Trelawney Avenue redevelopment and hub"