

Yeovil Refresh - Delivery Arrangements

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Purpose of Report

1. This report updates the District Executive Committee on the progress the Yeovil Refresh project. The report outlines the next steps for the project.

Public Interest

2. The Yeovil Refresh is a strategy for Yeovil town centre that will help provide a framework for investment and planning decisions by the all tiers of local government, as well as provide confidence and encouragement to developers and investors. It is intended that the Yeovil Refresh will, in time, make a significant, positive difference to the economic vitality of the whole of South Somerset. It will be of interest to all who live, work, study, shop, use the services and enjoy the leisure opportunities within the town.

Recommendations

3. The District Executive is recommended to:
 - a) Note the progress so far of the Yeovil Refresh Project.
 - b) Approve the draft Refresh document for consultation in early 2018.
 - c) Agree the allocation of £185,000 from the Infrastructure Reserve to fund the appointment of a Programme Manager to manage the delivery phases of regeneration projects identified. This post would be time-limited and sit outside the Transformation Process.
 - d) Note that Area South Committee will be asked to consider re-allocation of a proportion of the various reserves identified in section 10 to support a programme of activities associated with the Yeovil Refresh
 - e) Note that commercially generated returns derived from capital receipts from development projects in Yeovil will be returned to the council's capital reserve. The reserve can be accessed to support further projects through a business case made to the District Executive Committee.

Report

4. Yeovil is the major town serving South Somerset, and parts of West Dorset. It is the largest residential, service and commercial centre in the district, with a catchment of

280,000 people. It has high employment levels, leading technology and manufacturing businesses as well as an excellent theatre, college and hospital. The town centre has the unique proposition of an award- winning country park adjacent the town centre.

5. Yeovil is experiencing the effects of changes in shopping patterns, and the retail core is increasingly under threat from other centres and out of town developments. Overall, it is not performing as well as it could as a sub-regional centre. There are many land uses and buildings dating from the turn of the century that have ceased their former uses and are seeking new redevelopment.
6. The Council has made the regeneration of the town centre a priority and recognise that the delivery of a new future for the town centre requires a concerted approach from the Council and its partners.
7. Area South Regeneration Board undertook to produce an in-depth review into the Yeovil Town Centre Regeneration Programme and agreed the need to produce an overarching regeneration plan.
8. In September 2016, Jones Lang LaSalle (JLL) was appointed as the lead consultant to develop the plan. JLL, after seeking views from a number of stakeholders, have suggested a framework and range of projects with the aim of revitalising Yeovil town centre.
9. The draft Yeovil Refresh Report for consultation is contained in Appendix A. The Refresh:
 - Provides a direction and strategy towards the regeneration of Yeovil Town Centre
 - Provides a framework for enhancing the public realm and associated public spaces
 - Assists in unlocking and delivering a number of key development sites
 - Recommends focussed highway ideas to improve movement and accessibility
10. The document focuses on a number of key sites:
 - The Cattle Market
 - Bus Station (including Glovers Walk)
 - The Box Factory Car Park
 - Stars Lane Car Park
 - Petters way Car park
 - The former Ski Centre

Progress so far

11. The Yeovil Refresh document produced by JLL comprises an overview of the strengths and weaknesses of Yeovil, as well as a commercial overview of the town. This sets the town within the wider context of changes within town centres nationally and regionally and in particular, the significant changes occurring in the retail sector.

12. As such, it recognises that attracting significantly more retailing to the town in the current market conditions is unlikely and therefore this should not form the centre of the regeneration approach. Instead, attracting more people to live and work in the town centre, supporting the development of the leisure and evening economy, improving the ambiance of the town and strengthening retail in a consolidated core, is the approach that will most likely lead to the successful regeneration.
13. Stakeholders from businesses together with other key partners, such as the Town and County Council have been engaged in helping shape this strategic approach and there is a large degree of consensus around the key issues within the town and the route forward. Much of the analysis from JLL and the feedback from stakeholders is set out in a SWOT analysis produced within the draft report. A high-level action plan identifies a number of priority projects.
14. It is clear that the Council can no longer leave the regeneration of the town to the commercial market and will need to take a more active and direct role, partnering with and supporting the commercial sector where appropriate. Equally, the Council is not in a position to deliver all of the regeneration projects on its own and will need to engage with a range of partners if it is to be successful. Therefore, these projects comprise a programme of work for the Council and its partners.
15. Whilst the highlevel action plan exists, there is much work to be done before delivery on the ground can be started. Such works include more detailed investigation of sites, market testing, design works, as well as development of approaches and strategies in relation to key elements such as parking and the public realm.
16. There will be a further round of consultation. This consultation will enable the document to carry weight as a material consideration in determining planning applications. But before this is complete, it is important to set in place the mechanism for delivery.

Delivering the Yeovil Refresh

17. The draft Refresh document has an action plan which sets priority projects. It is proposed that each project will be allocated its own lead officer, undergo an appraisal, will have a project plan which will include the resource to deliver it.
18. While the focus of the Yeovil Refresh is physical regeneration, to be successful, it must work hand in hand with activities that support the cultural community and business aspects of the town.
19. Thus supporting such investment in projects and activities around greenspaces, the Country Park, Yeovil in Bloom, events such as Super Saturday, place-based marketing and community development is equally important. There may also be a requirement for schemes or projects to encourage the development of businesses within the town centre.

20. Work also will be needed to continue to engage and communicate with stakeholders and land owners to identify potential end users for sites and buildings.
21. There may be a need to consider innovative approaches to assemble and develop sites, such as gaining permission in principle, creating development briefs, using compulsory powers, and crowd-funding.
22. All this will require the council to focus staff from a variety of professions on the delivery of the Refresh, including the new property skills that will be part of the Council's commercial team. These projects will constitute a managed programme of activity that will deliver on the council's Priorities for Homes, Jobs, and Income Generation.

Resourcing Regeneration and the Commercial Strategy

23. Resourcing the Refresh will come from a coordinated approach using a palette of funding opportunities.
 - Direct investment - through SSDC capital programmes and activities that support town centre enhancement for instance the area townscape enhancements work already undertaken (see table below)
 - Supporting other agency and stakeholder investments - for example the recent investment in the infrastructure of the hospital and college. Special efforts will be made to support and work with SCC in relation to highways.
 - Use of Section 106 and CIL receipts from new development – for instance for a public realm via s106 - £144,000 towards Newton Rd/Sherborne Rd and £4,000 towards a Country Park gateway scheme d but not received, plus a request to Aldi for circa £130,000 for Sherborne Rd/Wyndham Street improvements under their pending scheme. These sums are being requested to pool with the Old Town Station sum for a comprehensive scheme .
 - Direct investment, such as the recent purchase of the freehold of the building occupied by Marks and Spencer's in Middle Street, shows renewed commitment to the town centre. New opportunities will be looked at as they emerge to build new homes, and create further opportunities for investment. The aim is to create viable regeneration schemes that not only pay for themselves but generate a return on the investment over the longer term, and show leadership of and confidence in the town.
24. There are clearly some projects in the Yeovil Refresh that will not generate a return or pay for themselves. Therefore, it is important to maximise the regeneration value and the commercial value from those projects and sites that can produce a return, with a view to investing the returns in the projects that will not generate a direct return. A degree of forward investment will be required by the Council to realise the regeneration and commercial potential of projects, if the regeneration ambitions are to be realised. This will include ensuring the right capacity in terms of time and skills to take forward the programme and the projects within it.
25. Taking more of a commercial approach is important in safeguarding the financial sustainability of the authority. However, regeneration usually takes time until it is income producing and so investments need to be looked at as a long-term, rather than something that will support the Council's revenue budget in the short to medium term. It

often requires more resource, capital or grants funding in the early stages and usually relies on partnership working with third parties. Some aspects of regeneration may never pay for themselves completely, such as improvements to the streetscape, but nevertheless are important elements of the regeneration package. Therefore, in looking at regeneration in a more commercial way it is the total package that needs to be assessed, not just the individual components or projects that make up a programme, to ensure a business-like and a financially sustainable approach that achieves the greatest value for the local community from the public resources committed.

Delivery

26. It is proposed that there will be a private sector and partner steering group that will contribute to the coordination of investment and other agency activity. This will comprise key stakeholder representatives from the Yeovil Marketing Group and the Yeovil Vision Group and share a common purpose to create a thriving town centre. This is described diagrammatically below.



Above diagram to be updated

27. There will be a need to ensure that all the levels of local government - town, district and county are working together through an appropriate officer group and there are appropriate links to the Heart of the South West LEP to secure Yeovil's status as a principal urban area, and growth point.
28. In terms of SSDC's new operating model, delivering the Refresh is a corporate priority deriving from the corporate plan. Key performance measures and milestones will be developed and reported.
29. Working within new Council structure, under the lead of Programme Manager specialists will need to be drawn into lead priority projects. Some examples are described below: -

- Area Team - coordinate local regeneration projects; seek funding opportunities.
- Development Management Planning - take a proactive approach to assisting new development, drawing in new investment wherever possible.
- Conservation Team - design guidance, and enhancement plans
- Area Development Team - project manage public realm enhancements.
- Spatial Policy Team and Local Plan –ensure policies that will support development, and ensure that there is a positive approach to housing, employment, transport planning, walking and cycling within Yeovil.
- Environmental and Direct Services – design and implement bold new landscaping and public realm enhancements
- Economic Development - reviewing wider funding opportunities, support of existing businesses and new business creation.
- The new Commercial Team - work closely with the investment manager to scope commercial opportunities for the council, assess income potential for reinvestment and deliver key projects
- Countryside Tourism and Communications – changing perception and communicating an upbeat message about Yeovil; continuing to build on the success of the country park.
- Licencing - support a safe and diverse night time economy.
- Food Safety support the growth of a diverse restaurant, food and drink sector.
- Arts and Entertainment teams developing public art, events, and using the uniqueness of the new Westland complex, and the Octagon to bring new audiences to Yeovil.
- Finance and legal teams to assess projects and prepare necessary conveyancing documentation and licences.

Financial implications

30. At the heart of the approach as described above is a commercial approach with the council reinvesting the returns from exploiting commercial opportunities back in to the Regeneration programme. The commercial team will look to take the redevelopment of certain sites forward for a profit, or as an investment opportunity which will in part be used to supplement the budget plus take forward other aspects e.g. purchase of a building to create a public square / public art / business support scheme. Section 106 agreements and CIL can also contribute to the highways and public realm works.
31. There is a need for Programme Manager to manage all the projects that will contribute to the delivery of the Refresh. This will be approximately £185k over a three year period, and will be financed from the Infrastructure reserve.
32. The Strategic Regeneration Board has access to a feasibility fund that can be used against any of the project to work up the business case. This currently has £150,000 uncommitted. This can be applied to the Yeovil Refresh to underpin any investment case on a project by project basis if approved by the Strategic Regeneration Board
33. The Council's Commercial Strategy takes an investment based approach to the use of financial resources including assessing the return from the investment in terms of financial return. Sometimes the investment approach will require initial pump-priming.

34. At times bold public investment will be necessary in areas that do not necessarily translate to a positive short term business case, such as a piece of public art or the creation of new focal public space.
35. In the short term, a review of existing funds have been earmarked for investment in Yeovil shows a number of capital reserves that could be applied to the Yeovil Refresh, amounting to c.£600k It is suggested that this could be rolled up into one Yeovil Refresh Delivery Fund.

Foundry House This has been held awaiting a project that fits with the DCLG grant. However, the grant was given years ago so it is unlikely to be scrutinised now.	£4K
Reckleford Gyrotory approximately This remaining £70K is ring- fenced for the gyrotory and the removal of lights.	£70K
Old Town Station: Ring-fenced for improvements at the bottom end of town. Many of the businesses here have been arguing (very vocally) that it needs to be spent there soon.	£321K
Area South Capital: Awaiting allocation Has been built up to be spent on locally important projects which can include the Yeovil Refresh.	£151K
Yeovil Vision Local Delivery Vehicle: Residual funding that requires Yeovil Vision Board approval. £5k has been allocated by the Yeovil Vision Board towards improvements to the signage from National Tyres by County Council to be claimed in 2017/18	£29K
Total SSDC Funding	£575K
SCC Eastern Corridor Underspend Discussions with SCC have enabled this fund to be allocated to a short term Highways project arising from the Yeovil Refresh. <i>This will be spent and delivered by SCC</i>	£500k
Total Potential Funding to Yeovil Refresh	£1.075K

Match funding

36. There are a number of funds deriving from Government (DCLG and HCA) such as 'One Public Estate', 'Marginal Impact Funding' derelict land remediation funds etc. LEP funding may be available. The Council's Affordable Housing capital pot can be applied to selected schemes in Yeovil in accordance with overall policy criteria.

Next Stages

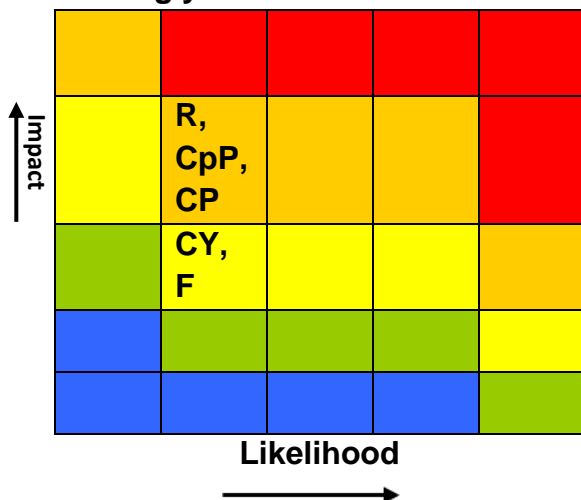
37. The next stages of the project will include the following work areas:

- Appointing a Programme Manager to oversee regeneration projects in Yeovil and South Somerset.
- Individual Project prioritisation inception and planning
- Stakeholder management Partner support

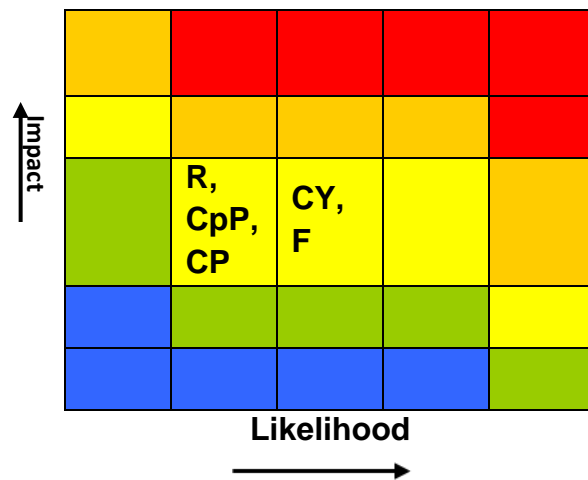
- Seeking Match funding

Risk Matrix

If District Executive does not approve the recommendations then our long term exposure to financial and reputational risk will increase, whilst our ability to deliver against the corporate plan objectives diminish. The risks generally increase accordingly.



If District Executive approves the recommendations the identified risks will be as follows:



Key

Categories	Colours (for further detail please refer to Risk management strategy)
R = Reputation	Red = High impact and high probability
CpP = Corporate Plan Priorities	Orange = Major impact and major probability
CP = Community Priorities	Yellow = Moderate impact and moderate probability
CY = Capacity	Green = Minor impact and minor probability
F = Financial	Blue = Insignificant impact and insignificant probability

Corporate Priority Implications

38. The development of Yeovil town centre assists the council in meeting several of its corporate objectives including:

- Lobbying for and support infra-structure improvements to enable growth.
- Capitalise on our high quality culture, leisure and tourism opportunities to bring people to South Somerset.
- Progress key infrastructure projects that unlock development

- Progress options to improve access/regeneration of Yeovil Town Centre.

Carbon Emissions and Climate Change Implications

39. There are no current implications associated with this report though the extension programme assists improvements in communication and the reduction of energy use.

Equality and Diversity Implications

40. There are no implications immediately associated with this report

Background Papers

- *Yeovil Town Centre Development Strategy: Stage 1 Baseline*
- *Yeovil Town Centre Development Strategy: ACTION PLAN*