

**Meeting: Council**

**Date: 3 December 2020**

**Wards Affected: Roundham with Hyde**

**Report Title: Proposed use of land at Garfield Road, Paignton**

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## **1. Purpose of Report**

- 1.1 The potential for use of land at Garfield Road for a residential development has been under consideration for several years dating back to the Paignton Town Centre Masterplan. Proposed uses including student accommodation, residential development or a residential/nursing home have been considered over that period.
- 1.2 The site forms part of the Victoria Centre. It is a 0.39ha site fronting onto Garfield Road in the heart of Paignton. The wider Victoria Centre site is dominated by a four storey car park adjacent to the wider shopping centre and a second multi-storey car park of similar scale.
- 1.3 Redevelopment of the Garfield Road site is based on the demolition of the existing car park. In October 2019<sup>1</sup> Council determined that it would approve the disposal of the freehold interest in the land with the Chief Executive given delegated authority to select a development partner and finalise Heads of Terms in consultation with the Cabinet Member and the Section 151 Officer.
- 1.4 Since that decision options were developed for a nursing home to be delivered on the site which would have supported a range of outcomes for the Council however following a service review this option is no longer under consideration. This means that an alternative delivery route is now required. With the imminent announcement of Future High Streets Funding expected to shape the development options for the wider Victoria Centre this report is setting out a route to enable Council obligations to be met without constraining those development options.

## **2. Reason for Proposal and its benefits**

- 2.1 The proposals in this report will ultimately help deliver the Council's ambition that Torbay is a place where its residents can thrive. The proposals will support the regeneration of a key site in Paignton Town Centre.

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<sup>1</sup> (<https://www.torbay.gov.uk/DemocraticServices/mgAi.aspx?ID=57274>)

2.2 The reasons for the decision are that the site is identified in the Paignton Town Centre Masterplan, which was adopted by the Council as a Supplementary Planning Document (SPD) in June 2015. Development of the site is supported by the Torbay Local Plan (adopted in December 2015). The Council identified, in its Transformation Strategy for Torbay's Town Centres, dated April 2017, that various options were being considered for Victoria Centre, including re-use of the site of the older of the two car parks, to be replaced by a residential development. The Paignton Neighbourhood Plan provides qualified support for development.

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### **3. Recommendation(s) / Proposed Decision**

- (i) That the decision of the Council on 24 October 2019 as set out in minute 75/10/19 be rescinded.
- (ii) That the disposal of the freehold interest of land at Garfield Road, Paignton (identified in Appendix 1) to Torbay Economic Development Company Ltd or a company wholly owned by the Council, be approved at nil cost, with the Chief Executive being given delegated authority to agree and finalise the terms of the disposal. The terms of disposal to include the principle that the Council will continue to meet the costs of holding the site until operational and will confirm to TEDC Ltd or a company wholly owned by the Council, at the earliest opportunity following the announcement of the Future High Streets Funding the outcomes it seeks for the wider Victoria Centre and it could include disposal on the open market, procurement of a Joint Venture partner, direct delivery by the Council company or any mixture thereof, ensuring that the ultimate proposals achieve best value for the Council.

### **Appendices**

Appendix 1: Site location plan - Garfield Road, Victoria Centre, Paignton

Appendix 2: Victoria Centre SPD

### **Background Documents**

Transformation Strategy for Torbay's Town Centres

<https://www.torbay.gov.uk/media/10450/transformation-project-town-centre-regeneration.pdf>

# Supporting Information

## 1. Introduction

- 1.1 Cabinet recommended to Council in October 2019 freehold disposal in order to maintain pace of delivery for the Land Release Fund (LRF). However owing in part to the legal process underway to move the telecoms operators to gain vacant possession along with changing timescales around the LRF programme the land at Garfield Road has not yet been disposed of.
- 1.2 Since that resolution the Council has progressed matters in relation to this site and other land at Victoria Centre, namely:
- TDA, on the Council's behalf, continues to seek vacant possession of the site in order to ensure the site can be developed. The one remaining barrier to vacant possession is the continued occupation of the Garfield Rd site by telecommunications operators. One operator has now vacated the site and negotiations are progressing with the second to facilitate a temporary relocation and vacant possession of Garfield Road by end April 2021.
  - The Council has secured planning consent for demolition of the car park on Garfield Road. This will assist the Council in securing vacant possession and in future development on the site.
  - The Council has produced a development brief for the site. The development brief assists disposal and development of the site and whilst not a planning requirement was published on the Council's website allowing individuals/businesses to comment. It is now finalised.
  - The site is included, as part of wider regeneration and redevelopment proposals, in the Council's Future High Street Funding (FHSF) bid. If awarded the FHSF grant will support the site assembly and will unlock more comprehensive redevelopment opportunities. An announcement is expected on FHSF imminently.
  - The Land Release Fund Board has accepted that the site can be transferred to a Council owned company. The Council's procurement team has confirmed that this transfer does not create any form of issue from the procurement perspective
- 1.3 Following the decision not to pursue a nursing home as part of the wider redevelopment of the Victoria Centre, and in support of the Council's leadership of the regeneration of Paignton alongside the work at Crossways, it is prudent to affect this transfer to allow the Council's LRF obligations to be satisfied and develop the Council's preferred redevelopment option pending the FHSF application outcome.

## 2. Options under consideration

- 2.1 Recommended Option – To proceed with disposal of the site to TEDC Ltd (or one of its subsidiaries) in line with the position accepted by the Land Release Fund Board. This route is considered to be most appropriate to the Council's placeshaping objectives and allows for clearer controls of the programme and influence over the outcomes.
- 2.2 Not recommended - To take advantage of the longer period now available through the Land Release Fund programme for disposal (end of March 2021) and to test the benefits of disposal to a development / JV partner

where the outcomes could be shaped around financial outcomes. There has been some limited market engagement which suggests that there is interest in the wider site but there is no guarantee that an appropriate partner would come forward in the available time. Depending on the ultimate structure the Council would have limited control over future development.

### **3. Financial Opportunities and Implications**

- 3.1 A delayed decision could risk clawback of LRF grant or have an impact on the costs of the scheme for instance the demolition contractor has provided a fixed price commitment expiring 31<sup>st</sup> March 2021. Any delay or clawback would also lead to reputational harm to the Council and impact on the confidence of funding partners.

### **4. Legal Implications**

- 4.1 None

### **5. Engagement and Consultation**

- 5.1 There has been regular consultation with the community throughout the Town Centre Masterplan programme with community representatives receiving briefings from Council and TDA officers on the process. This has included for instance seeking views on the development brief referred to above.

### **6. Purchasing or Hiring of Goods and/or Services**

- 6.1 None at this time however it is expected in line with the Council's commitment to community wealth building that a redevelopment will be expected to bring benefits including local supply chain and employment and skills opportunities. This would be a feature of the procurement of any contractor with an expectation that these would feature clearly within the contractor's commitments.

### **7. Tackling Climate Change**

- 7.1 None at this time however the Council will be able to set out its desired outcome in line with recommendation (iii).

### **8. Associated Risks**

- 8.1 There are two principal risks;
- I. Risk of clawback, the Land Release Fund contains milestones which must be met. While feedback to the Council on how challenging issues have been addressed on Land Release Fund sites has been positive if the dates for the transfer were missed it is likely that the funder would withdraw funding and could seek to claim back costs incurred at this point of circa £395,000.
  - II. Reputational harm, this would link to any financial challenge but there would also be consequential impacts on the reputation of the Council with funding partners and with the Community.

## Equality Impacts

9.	Identify the potential positive and negative impacts on specific groups			
		Positive Impact	Negative Impact & Mitigating Actions	Neutral Impact
	Older or younger people			There is no differential impact
	People with caring Responsibilities			There is no differential impact
	People with a disability			There is no differential impact
	Women or men			There is no differential impact
	People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i>			There is no differential impact
	Religion or belief (including lack of belief)			There is no differential impact
	People who are lesbian, gay or bisexual			There is no differential impact
	People who are transgendered			There is no differential impact
	People who are in a marriage or civil partnership			There is no differential impact
	Women who are pregnant / on maternity leave			There is no differential impact

	Socio-economic impacts (Including impact on child poverty issues and deprivation)		There is no differential impact as an immediate consequence of this recommendation however the site is expected to benefit from FHSF grant pending Government decision. Ultimately it is expected that the site will support outcomes including more people living and working in the town centre.
	Public Health impacts (How will your proposal impact on the general health of the population of Torbay)		There is no differential impact
10..	<b>Cumulative Council Impact</b> (proposed changes elsewhere which might worsen the impacts identified above)		
11.	<b>Cumulative Community Impacts</b> (proposed changes within the wider community (inc the public sector) which might worsen the impacts identified above)	Not as an immediate consequence of this recommendation	