

Town Centre Regeneration Priority Delivery Plan

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The evidence

Town Centres play an important role in shaping the success of places. They are important drivers of local economies as the preferred location for new investment in retailing, leisure, and business and professional services and are supported in this through national planning policy. They are also significant in shaping peoples pride in and satisfaction with an area as important destinations for shopping, jobs, leisure and entertainment, and visitors. It is against this background that the Council has identified town centre regeneration as a priority for the District.

Prior to the onset of the recession the condition of the local economy had improved significantly since the mid 1990s. Employment had increased with a more broadly based profile including more jobs in service related sectors including in retailing and distribution. The net increase in VAT registered businesses was higher than the regional figure and development was underway on large business parks in both Cannock and Rugeley.

However, the District's town centres had seen limited new investment. In Cannock, Cannock Shopping Centre opened in 1996. The High Green scheme was completed in 2000 and ASDA in 2005. Greater shopping choice had been provided through the development and expansion of out of town retail parks which had emerged under the more lax planning regime of the 1990's.

Rugeley had experienced little significant investment since the completion of the Morrison's scheme, with a proposal for a new Tesco scheme, supported by the Council, but turned down by the Secretary of state following a local inquiry. Shopping choice has been provided through the conversion of existing premises such as the Argos/Home Bargains scheme in 2005 and small new schemes such as Aldi in 2000. The town centre had seen some townscape improvements through the Trent Challenge programme which ended in 2002, the most recent improvement being the relocation of the War Memorial back to Anson Street.

Hednesford had suffered a failed attempt to bring a new food store into the centre in 2000 as part of the Sentinel Single Regeneration Budget bid. Despite various housing schemes in and around the centre, Hednesford had seen little in the way of retail investment until the completion of the Lightworks scheme in 2009.

The nature of the Challenges set out below to deliver town centre regeneration requires the Council to work with a range of partner organisations and in particular private sector developers and retailers. As a consequence the influence the Council can have will vary considerably according to the issue under consideration but will always be subject to

market risk. The focus throughout this document is upon those actions where the Council has direct control or an ability to exert influence over delivery.

Priority Outcome 1: Improved Town Centres through Regeneration

The District's town centres have different roles and different regeneration needs. Cannock town centre is identified as a strategic centre which should provide a wide range of comparison as well as convenience shopping opportunities, and be the location for leisure uses and office jobs. Prior to the recession the Council had commissioned its own research which had led to work with potential development partners with the aim of promoting a redevelopment scheme capable of providing a wider range of comparison goods shopping. A site which included the area between Market Hall Street and Church Street, and the Council's Beecroft Road car park site had been identified. In 2008 the decision was taken to formally select a redevelopment partner through the complex European contracts procurement process.

The Council is also working with a local developer on a leisure led redevelopment scheme for the so called Avon Plaza scheme on a site at the junction of Walsall Road and Avon Road.

Rugeley is the second largest centre and provides for the convenience and some comparison shopping needs for Rugeley, Brereton and the surrounding villages. The Council is producing an Area Action Plan for Rugeley Centre (AAP), the only area within the District which will have its own Development Plan Document. The purpose of this planning policy document is to put in place a framework for regeneration which can pull together the many elements which make up Rugeley town centre. These include the difficult redevelopment site opportunities within the centre, the large food store site on the edge of the centre, the opportunity of the conservation areas and listed buildings which provide the character for the historic market town, and the opportunity represented by the canal. There is a pressing need for Rugeley to retain within its centre much of expenditure on convenience shopping which currently goes outside the town to Stafford and Lichfield in particular. To achieve this aim the Council is working with Tesco to produce a large food store scheme on the site of the former Celcon block works on the edge of the centre. The Council's ambition is to ensure that this scheme contributes to the vitality of the town centre as well as increasing shopping choice for local residents and keeping expenditure in the town.

Hednesford is the third largest town centre and provides a convenience shopping centre for the large population in the Hednesford area. For many years the centre has been seen to be in decline, losing trade to nearby Cannock. The Council commissioned research work in 2002 which showed that Hednesford offered a below average amount of convenience shopping floor-space for a centre of its type. The centre's convenience shopping role was at risk of not being sustainable. To respond, in 2003 the Council put its

land holdings into four development packages and invited expressions of interest from developers. Two developers were selected to take forward three of the site packages. The Lightworks scheme, involving the most straightforward of the Council's holdings and Pritchard Property, was completed in 2009, the first of the packages to be completed. St Modwen Properties are selected for the other two packages comprising the Rugeley Road 'Gateway' site and a large food store site using land at Victoria Street. Despite the complexity of the schemes and difficult market conditions the schemes have reached an advanced stage of preparation.

All three of the District's town centres are in need of new investment and have been affected by the recession. Whilst investment in food store schemes continues to attract interest, other retail and property interests remain depressed. This makes redevelopment difficult to achieve even in towns with higher rents and investment values than the District's three centres. However, failure to attract new investment will result in increased leakage of expenditure to competing centres, less shopping choice for local people, shop vacancy rates could increase, and potential new jobs could be lost.

To contribute to a more resilient economy, there is a requirement to:-

- Develop vibrant and sustainable town centres which serve the needs and aspirations of the community.

Where We Are at the Moment

Cannock Town Centre

Pre-recession the work commissioned by the Council and done with potential development partners indicated that the Market Hall Street/Beecroft Car Park redevelopment scheme was marginal. The scheme required an improvement in rental levels or investment yields to be viable. As the country emerges from recession there is a need to test developer's appetite for a large scale redevelopment scheme in Cannock town centre prior to commencing the lengthy and expensive EU procurement process. The Council selected a team of EU and town centre development consultants in April 2010. The first stage of the appointment - to 'market test' the Council's ambition for the redevelopment scheme – is underway with an initial report back in Quarter 2 2010.

The Council have a signed Development Agreement with a local developer for the Avon Plaza scheme at Walsall Road/Cannock Road. The scheme has been affected by the recession and the weak occupier and bank lending markets and requires an improvement in these conditions to proceed.

Rugeley Town Centre

The Rugeley Town Centre Area Action Plan cannot proceed to formal submission because of the Habitats Regulations Directive and the impact of this on the AAP and the Core Strategy. Cabinet on 24 June 2010 agreed that a Pre-Publication draft of the Plan be published for consultation. This will ensure that residents, businesses and interested investors have an opportunity to comment on and influence the regeneration framework being proposed for the town centre.

Regarding the individual sites, all are currently affected by the weak commercial market with the exception of the Tesco food store scheme off Leathermill Lane. A planning application has been submitted for this scheme. The Council's decision will be subject to Call-In by the Secretary of State.

In 2009 the Council agreed to proceed with a water feature to open up the Rising Brook in Brook Square, Rugeley.

Hednesford Town Centre

The Lightworks scheme opened in April 2009, including an improved car park at the rear of the existing Co-op store in Anglesey Street.

Both Phases of the St Modwen Chase Gateway Hednesford scheme, Rugeley Road site and Bus Station/Victoria Street site, have reached an advanced stage. In April 2009 Cabinet agreed to respond to the impact of recession by

linking the two phases together and in March 2010 Development Agreements covering both Phases were signed with the developer. A revised planning application for the Rugeley Road phase has been agreed by Planning Control Committee and its Section 106 Agreement should be signed shortly. A compulsory purchase order has been approved by the Secretary of State and the District council has commenced the vesting process in the event that negotiated agreements can't be reached with the remaining owners. A planning application has been submitted for a large food store, retail units and a replacement Community Facility on the Bus Station/Victoria Street site; an Agreement to Lease the large food store has been signed with a national operator; an agreement to purchase land off ATP Industries has been secured; a scheme is well advanced to relocate the MoD cadet training facility; negotiations to acquire other land interests are underway.

Subject to the satisfactory progress on securing planning consent for the large food store, securing vacant possession of the site, and securing the road closure orders for Victoria Street, the current programme envisages a start on Phase 1 in Quarter 3 2010 and completion of the Phase 2 scheme in 2013.

To complement these actions, the Council is promoting better use of the town centres through initiatives such as the Chamber of Commerce led Chase 3 programme.

What will be different in 2012?

Priority Outcome	Baseline 2009-10	What will be different by 2012
Improved town centres through regeneration	<p>Cannock town centre redevelopment schemes have been affected by the recession and downturn in the commercial property lettings and investment markets. The Council has agreed to proceed to procure a development partner for the Market Hall Street/Beecroft Road Car Park scheme subject to the market being right to do so.</p> <p>The Avon Plaza scheme is on hold pending an upturn in market conditions.</p> <p>Cannock town centre has seen a number of shop closures with vacancy rates climbing to 17% during 2009</p> <p>The Rugeley Town Centre AAP has progressed to Preferred Options stage and residents and stakeholders have been consulted.</p> <p>Progress on redevelopment schemes is on hold pending an upturn in market conditions. The exception is the Tesco food store scheme where pre-application discussions have commenced with the operator.</p> <p>The more complex Hednesford centre schemes are also affected by the downturn. Lidl Stores, the anchor trader for the</p>	<ul style="list-style-type: none"> o The council will have decided how and when to proceed with the procurement process to select a development partner and, subject to this decision the procurement process will have been completed and the Council will have selected its development partner. o The future of the Avon Plaza scheme will be known. o The AAP will have examined in public and will form part of the approved planning policy for the District o Subject to securing planning permission, Town Centre schemes will be either completed or under construction in the following locations:- <ul style="list-style-type: none"> o Rugeley Road, Hednesford o Leathermill Lane, Rugeley

Priority Outcome	Baseline 2009-10	What will be different by 2012
	<p>Rugeley Road scheme has withdrawn following a review of company policy. A revised planning application is required for the Rugeley Road scheme and the Development Agreements on both phases require negotiation to deal with the impact of the recession. The CPO has been confirmed by the Secretary of State but acquisition of the outstanding interests cannot proceed until revised legal and planning arrangements are in place. A conditional agreement has been signed with a large food store operator and negotiations are continuing to secure the land held by ATP industries</p>	<ul style="list-style-type: none"> ○ Victoria Street, Hednesford.

What We Will Do

Priority Outcome 1: Improved town centres through regeneration

How	When				Who	Indicator	Resource
	Q1	Q2	Q3	Q4			
<p>Work with development partners to secure commitments to enable commencement of schemes in Cannock, Hednesford and Rugeley Town Centres. In particular:-</p> <p>Hednesford Town Centre:-</p> <ul style="list-style-type: none"> • Site assembly for the Chase Gateway Hednesford (Rugeley Road) Scheme • Commence demolition and preliminary works on the Rugeley Road scheme <p>NB – Note that this will be a decision of the Council's development partner</p>			✓		<p>Economic Development Manager</p> <p>Council's development partner (St Modwen)</p>		<p>Staff resources</p> <p>Preliminary works contract value c.£500k funded externally</p>

How	When				Who	Indicator	Resource
	Q1	Q2	Q3	Q4			
<ul style="list-style-type: none"> Securing an acceptable resolution to grant planning consent for the Hednesford Bus Station/Victoria Street Scheme. 			✓		Economic Development Manager		Staff resources
<p>Cannock Town Centre</p> <ul style="list-style-type: none"> Commence market testing of the redevelopment opportunity for Cannock Town Centre Market Hall Street/Beecroft Road Car Park scheme (as the first stage of an EU Competitive Dialogue process) to secure a development partner for Cannock Town Centre expansion. 		✓			Head of Planning & Regeneration and Principal Economic Development Officer		Staff resources and £50k S.106

How	When				Who	Indicator	Resource
	Q1	Q2	Q3	Q4			
Rugeley Town Centre <ul style="list-style-type: none"> To secure an acceptable resolution to grant planning permission for proposed Tesco scheme at Rugeley Town Centre (incl. S106 obligations) 			✓		Head of Planning & Regeneration and Economic Development Manager		Staff resources
Rugeley Water feature: <ul style="list-style-type: none"> To secure Cabinet decision on the type of scheme (via public consultation findings), its funding and delivery. ✓ To assess the options to meet any funding gaps in the preferred scheme and report to Cabinet / Council as appropriate ✓ 	✓				Director of Culture and Regeneration and Head of Planning and Regeneration		Staff Resources; £72k Council Capital Programme 2010/11

Resources Available

Financial Information

General Fund Revenue

Access to Education, Skills and Employment						
2009-10				2010-11	2011-12	2012-13
Original Budget	Approved Budget	Forecast Outturn		Approved Budget	Approved Budget	Approved Budget
£	£	£		£	£	£
751,190	751,190	733,340	Staffing Costs (including training)	755,050	772,450	776,280
642,760	666,760	647,130	Premises Running Costs	656,520	655,080	667,300
18,290	18,290	19,650	Vehicle and Travel Costs	19,870	19,900	19,910
422,620	422,620	466,850	General Supplies and Services	484,550	421,070	388,730
144,660	144,660	150,660	Other Contributions	153,550	156,120	157,620
369,550	369,550	369,550	Payments under Contract	908,840	945,190	983,000
57,390	57,390	57,390	Computer Hard and Software	58,530	59,540	60,140
73,900	73,900	228,630	Capital Financing / Asset Rental	228,630	228,630	228,630
1,019,770	1,019,770	876,970	Internal Recharges Expenditure	866,650	877,070	888,650
3,500,130	3,524,130	3,550,170	Total Expenditure	4,132,190	4,135,050	4,170,260
-1,153,520	-1,153,520	-1,033,520	Fees and Charges (Local)	-1,112,940	-1,216,130	-1,217,510
-269,430	-269,430	-269,430	Other	-762,680	-792,640	-823,790
-867,310	-867,310	-826,450	Rents	-828,820	-866,170	-887,500
-997,000	-997,000	-834,510	Internal Recharges Income	-847,280	-859,950	-870,370
-85,240	-85,240	-102,010	Internal Contributions	-100,470	-49,800	0
-3,372,500	-3,372,500	-3,065,920	Total Income	-3,652,190	-3,784,690	-3,799,170
-46,580	-46,580	-46,580	Transfer to General Fund Services	-26,770	-32,170	-71,850
-46,580	-46,580	-46,580	Total Transfers / Appropriations	-26,770	-32,170	-71,850
81,050	105,050	437,670	Total Access to Education, Skills and Employment	453,230	318,190	299,240

Town Centre Regeneration Priority Delivery Plan

Priority Outcome Number	Priority Outcome Name	Resource Available
1	<p>Improved town centres through regeneration:</p> <p>Economic Development Budget (proportion of) – includes Section 106 contributions</p> <p>General Fund Capital Programme</p> <p>External funding from development partner</p>	<p>See note below</p> <p>£72,000</p> <p>c.£500,000</p>

Nb Economic Development Service budget of £230,440 is aligned to both this PDP and the “Economic Development and Planning” PDP.

Key performance measures

There are no National Indicators or local indicators reported by Cannock Chase District Council that relate to the Town Centre Regeneration Portfolio and the Priority Outcomes established in this Priority Delivery Plan.

The performance of this PDP will therefore be monitored through the management of the progress against the actions as described in the “What we will do” section above.

Key Risks

Risk is the chance or possibility of loss, damage, injury or failure to achieve objectives caused by an unwanted or uncertain action or event.

Risk is ever present and some amount of risk-taking is inevitable if the Council is to achieve its objectives. Risk management is about making the most of opportunities and about achieving objectives once those decisions are made. By being 'risk aware' the Council is in a better position to avoid threats and take advantage of opportunities.

The risks that we may face in meetings our challenges have been identified, assessed, scored and are detailed in the risk register below. For those risks which have been scored higher than we would like them to be, we have identified actions to reduce the risk and allocated a risk owner to ensure that actions are carried out and the risk monitored.

The residual risk scores (i.e. current position) have been plotted onto the risk matrix shown below:-

(5) Almost Certain					
(4) Likely				TC1	
(3) Possible				TC2	
(2) Unlikely					TC4
(1) Remote				TC3	
Likelihood	(1) None	(2) Minor	(3) Moderate	(4) Major	(5) Catastrophic
	Impact				

Key to Risk Priorities	Tolerable	Low Priority	Medium Priority	High Priority
Risk Register Reference	TC3,		TC2, TC4	TC1

KEY RISKS – TOWN CENTRE REGENERATION

The key risks in summary we face relate to:-

- Private sector developers and funders will consider the market risks involved in investing in the Cannock Town centre redevelopment schemes too great in the current market conditions leading to either delay in securing a redevelopment partner or requiring changes to the Council's objectives to identify a viable scheme (TC1).
- The operator for the large food anchor store necessary for the Hednesford schemes to proceed decides to withdraw or renegotiate (TC2).
- The Council is unable to deliver vacant possession of the Hednesford Phase 1 site (TC3)
- The developer is unable to deliver vacant possession of the Hednesford Phase 2 site within the next 2 years (TC4)

Risk Register

Risk Register Ref No	Risk and consequences of it happening	Gross Risk Score	Control Measures in Place	Residual Risk Score	Actions Planned	Timescale	Risk Owner	Target Score
TC1	Private sector developers and funders will consider the market risks involved in investing in the Cannock Town centre redevelopment schemes too great in the current market conditions leading to either delay in securing a redevelopment partner or changes to the Council's objectives to identify a viable scheme	16	<ul style="list-style-type: none"> Consultant advisors appointed Market intelligence being gathered prior to incurring procurement expense Regular discussions with selected development partners (Avon Plaza) to judge market conditions 	16	<ul style="list-style-type: none"> Opportunity to consider how the Council could support the Market Hall Street/Beecroft Road redevelopment scheme as a result of the market testing exercise to stimulate investment. 	Immediate and ongoing	Head of Planning and Regeneration / Economic Development Manager	12

Risk Register Ref No	Risk and consequences of it happening	Gross Risk Score	Control Measures in Place	Residual Risk Score	Actions Planned	Timescale	Risk Owner	Target Score
TC2	The operator for the large food anchor store necessary for the Hednesford schemes to proceed decides to withdraw or renegotiate (TC2).	15	<ul style="list-style-type: none"> Conditional Agreement to Lease has been signed Professional view of planning officers is that is that food store scheme will meet national policy tests 	12	<ul style="list-style-type: none"> Dialogue with Members will be maintained prior to consideration of the food store planning application by Planning Control Committee. Developer and Council commercial advisors maintaining close contact with food store operator. 	Immediate and ongoing	Head of Planning and Regeneration / Economic Development Manager	12
TC3	The Council is unable to deliver vacant possession of the Hednesford Phase 1 site.	10	<ul style="list-style-type: none"> Council has secured approved CPO Developer has acquired all but 3 land interests Developer and Council negotiating to acquire 2 interests 	4	<ul style="list-style-type: none"> Council will 'Vest' the outstanding interests if negotiations are unsuccessful 	Immediate and ongoing	Head of Planning and Regeneration / Economic Development Manager	4
TC4	The developer is unable to deliver vacant possession of the Hednesford Phase 2 site within the next 2 years	15	<ul style="list-style-type: none"> Majority of site acquired by developer or under agreement to acquire. Draft agreements and schemes of acquisition in place with 2 other interests including the Ministry of Defence (MoD) 	10	<ul style="list-style-type: none"> Developer and Council to press negotiations for outstanding interests Council/Developer Development Agreement provides for use of CPO but will delay scheme and risks market change 	Immediate and ongoing	Head of Planning and Regeneration / Economic Development Manager	10

Implementing and monitoring this Priority Delivery Plan

In addition to the actions specified, the following Cannock Chase Council services are focused on addressing the priority outcomes identified in this plan. They are:

- Economic Development
- Property Services
- Planning Services
- Financial Management
- Legal Services

The priority outcomes, actions and targets set out in the plan will inform the development of Service Delivery Plans for each of these services with the aim of directing services towards the overall delivery of the PDP actions.

The Town Centre Regeneration Priority Delivery Plan will be reported on an exception basis using a Red, Amber or Green (RAG) rating. The RAG rating will be provided by the Lead Officer responsible for each specific issue in the plan.

The frequency and content of reporting is as follows:

- **Cabinet**
Cabinet will monitor the delivery of the PDP via the respective Portfolio Holder, through a quarterly progress report against delivery of the actions and performance indicators included within the plan.
- **DMT**
A six weekly report to be provided in relation to progress against delivery of the actions and performance indicators included within the plan.

A quarterly progress report to be provided in relation to progress against delivery of the actions and performance indicators included within the plan.
- **Scrutiny Committee**
A quarterly report to be provided in relation to progress against delivery of the actions and performance indicators included within the plan.
- **Policy Development Committee (PDC)**
The Town Centre Regeneration PDC will receive a quarterly report in relation to progress against delivery of the actions and performance indicators included within this PDP.