

PLANNING & TRANSPORTATION CABINET ADVISORY BOARD

Monday, 13 November 2017

Present: Councillor Alan McDermott (Chairman)
Councillors Bland, Hamilton, Hannam, Hills, Rankin, Scholes and Stanyer

Officers in Attendance: John-Jackson Almond (Assembly Hall Theatre Director), Diane Brady (Civic Development Manager), David Candlin (Head of Economic Development and Property), Lee Colyer (Director of Finance, Policy and Development), Patricia Narebor (Head of Legal Partnership), David Scully (Landscape and Biodiversity Officer) and Mike McGeary (Democratic Services Officer)

Other Members in Attendance: Councillors Jukes, Moore (registered speaker), Reilly, Simmons and Mrs Soyke

Members of the Public in Attendance: Adrian Berendt, Kim Freeman, Tom Poynter, David Wakefield (all registered speakers) and Alastair Tod

APOLOGIES FOR ABSENCE

PT28/17 Apologies for absence were reported from Councillors Backhouse, Elliott and Neve.

DECLARATIONS OF INTERESTS

PT29/17 There were no declarations of interest made, within the provisions of the Code of Conduct for Members.

NOTIFICATION OF VISITING MEMBERS WISHING TO SPEAK

PT30/17 The Democratic Services Officer advised that Councillor Moore had registered to speak on item PT33/17 below, in accordance with Council Meetings Procedure Rule 18.

MINUTES OF THE PREVIOUS MEETING

PT31/17 The minutes of the meeting dated 21 August 2017 were submitted.

RESOLVED – That the minutes of the Board meeting dated 21 August 2017 be agreed.

PLANNING AND TRANSPORTATION CABINET ADVISORY BOARD - WORK PROGRAMME

PT32/17 The Board received its work programme for the period up to 28 February 2018, which was based on the issues set out in the Council's Forward Plan.

RESOLVED – That the work programme be noted.

CIVIC DEVELOPMENT DELIVERY

PT33/17 David Candlin, the Head of Economic Development and Property, introduced Mark Anderson and Rebecca Doull, both part of the GVA consultant team. He summarised the key elements of a comprehensive report on the extensive work that the authority had undertaken up to and during RIBA Stage 3

(Developed Design), towards the provision of a new theatre and offices and an associated underground car park.

Mr Candlin provided some context for the proposed scheme. He advised that the provision of a modern theatre was a key component of the Borough Council's agreed Five Year Plan, as was the delivery of new office space on Mount Pleasant Avenue car park. This was a commitment, he advised, to deliver the Council's place-shaping and civic leadership responsibilities for enhancing the attractiveness and cultural vitality of the Borough. He added that the theatre would also help the authority meet one of its key targets set out in its Cultural Strategy for the Borough to become nationally recognised for its vibrant cultural provision by 2024.

Mr Candlin said that, from the outset, the work had been carried out in stages. He added that this provided a decision point for the project, a commitment of additional resources and an acknowledgment that the work and the expenditure would be abortive should the development not proceed.

Against that background, Mr Candlin said that the report explained the detailed design work that had been undertaken as part of the Stage 3 process as well as what site assembly processes had been carried out. He added that an outline was set out of the options and preferred approach to the next stages of procurement to enable the construction to proceed. In addition to that, attention was drawn to the existing civic complex site and the recommended proposed strategy and mechanism for managing its disposal.

Before the Advisory Board considered the financial elements of the scheme, the Chairman invited the following four registered members of the public to speak:

Kim Freeman spoke in support of the proposals, making particular reference to the benefits that the new theatre would bring – to residents, to visitors, to future generations and to the economy of the Borough.

Tom Poynter also spoke in support of the scheme, adding that he felt a new theatre would lead to a significant boost to creative industries in the Borough.

Adrian Berendt spoke in his capacity as Chairman of the Town Forum. He said that, while the Town Forum had been generally supportive of the scheme, this had been conditional upon assurances on specific details, which he summarised as follows: what would happen to the existing Town Hall and Assembly Hall Theatre; what criteria was to be used in judging the proposed project; what was the strength of the financial case; and what would the scheme achieve for the town.

David Wakefield spoke in his capacity as a member of the Town Forum's Management Group. He suggested that there was a case for omitting the car park element of the scheme, which would reduce the capital cost, lessen the damage to Calverley Grounds, and encourage greater use of sustainable travel in the town centre by encouraging cycling, walking and greater use of public transport.

Cllr Moore had also registered to speak as a visiting member. She drew attention to the high level of stakeholder engagement which had taken place and the extensive communications effort which continued to take place. She added that, arising from this two-way flow, she had found the majority of

residents and businesses were supportive of the scheme, adding that those with young children expressed the highest level of enthusiasm at this investment in the town's future. She asked the Advisory Board to recognise the value of the project – not just in money terms; she also emphasised how the proposal was totally compatible with the authority's Cultural Strategy and its Five Year Plan.

Lee Colyer, the Director of Finance, Policy and Development, summarised the key aspects of the financial detail of the proposed scheme, which was set out in 'report 4' of the agenda. He advised that the estimated net scheme cost was £77m, which would involve borrowing this sum at a fixed rate of 2.75%, leading to a net revenue cost of £2.3m per annum for the 50 year loan period.

Mr Colyer drew attention to the recommended funding strategy set out in the report. This showed how the sum of £2.3m could be removed from the Council's base budget, through a mix of greater income and revenue savings. He demonstrated how a contingency fund could begin to build up from 2018/19 so that, by the construction completion stage in 2022, a sum of £3.1m would exist within this fund.

Mr Colyer emphasised two further key points: (i) the extent of the prudent approach he had adopted in preparing the funding strategy; and (ii) the strong endorsement the authority had received from both the Chartered Institute of Public Finance and Accountancy (CIPFA) and from the Mid Kent Audit Service into the governance arrangements the authority had followed in its project management of the scheme.

John-Jackson Almond, the Assembly Hall Theatre Director, reported on the key elements from the business case prepared by consultants Bonnar Keenlyside. He said that the detailed report addressed the following key aspects: (i) an auditorium of 1,200 seats would be the ideal capacity; (ii) it was realistic to expect a steady growth towards 400,000 ticket sales per annum within seven or eight years, at which point the theatre should be subsidy-free; (iii) the touring show market remains resilient; and (iv) the range and type of entertainment which the new theatre could provide would be significantly enhanced, compared with the current Assembly Hall programme.

Members of the Advisory Board considered the report and its nine recommendations and raised the following points:

- Councillor Stanyer wished to place on record his thanks to both the Leader of the Council and to Councillor Moore for the courage they had shown in championing the proposed scheme, which he described as a very positive process.

Councillor Stanyer voiced the following remaining concerns: (i) while he was very supportive of the theatre element of the scheme, he asked what provision had been made should the market for touring shows (potentially as they became dated) begin to fall; (ii) he asked how realistic it was to expect audience numbers to grow from the current 138,000 per annum to the 'break even' figure of 400,000; (iii) he also felt that the capacity of the local and regional market for theatre attendances (2.417 million people within an hour's drive of the town) was going to be significantly limited because of the inadequate transport links involved; (iv) he also sought an assurance that the on-line ticketing process would be sufficiently robust; and (v) finally, he

expressed great concern at the prospect that the use of CPO powers to ensure full site assembly might lead to Hoopers closing down their store.

- Councillor Rankin sought reassurance that there was no likelihood of a legal challenge to the scheme through Public Health Acts, due to the scheme being built on part of a public park. Patricia Narebor, the Head of Legal Partnership, advised that, provided that the required statutory procedures were followed – to include the Secretary of State’s approval where required – then she could see no reason for any legal challenge. Mrs Narebor added that the scheme would not be denying anyone their legal rights to access the public open space without the statutory process being followed.
- Councillor Hannam congratulated the officers and consultants for the thoroughness of their reports. He asked whether the ‘whole-life’ costs referred to in the consolidated business case in respect of the new office building included the £15m for the car park. Mr Colyer advised that the car park construction costs were not included in the figure.

In response, Councillor Hannam said that he would like to see an alternative option costed, namely the new offices without the linked underground car park. He also asked for a view on a rumour that the Chancellor of the Exchequer, in his Budget the following week, would be placing restrictions on the ability of councils to borrow funds for commercial projects. Mr Colyer advised that the Government was already consulting on this issue, which was in the form of reviewing the current code of borrowing. Mr Colyer said that the Government was looking to restrict councils from borrowing for yield purposes only, adding that the civic development scheme – as a community benefit proposal – would not be affected by this review.

- Councillor Scholes drew attention to the authority’s risk register and asked where members could view the document. Mr Colyer advised that the civic development scheme was one of 10 strategic risks set out in the register; he added that the register was regularly updated and was reported on at each meeting of the Audit & Governance Committee. Mr Candlin added that the risk register could be viewed in the Members’ Room and was also set out in the full Stage 3 report.

Councillor Scholes stressed the importance of ensuring this specific risk was continually reviewed during the process – and made public. Mr Candlin confirmed that this would next be undertaken once a decision had been taken by the Full Council on 6 December.

- Councillor Scholes said that the civic development project could not be viewed in isolation and should be considered alongside other potential impacts on the authority’s revenue budget. He sought reassurance regarding: (i) the Cultural Hub – would this be subject to any Public Works Loans Board (PWLB) funding? (ii) business rate appeals – what was the expected liability that might fall upon the authority for judgements made by the Rating Valuation Office? and (iii) the RVP shopping centre – would any Borough Council contribution towards the expansion plans lead to the need for PWLB funding?

Mr Colyer advised as follows: (i) with the proposed Cultural Hub, the Borough Council's contribution would be approximately £7m, which would come from its reserves; (ii) on the specific business rate appeal cited by Cllr Scholes, there was sufficient within the Collection Fund to meet this particular liability, should the appeal be successful; (iii) no decisions had yet been taken on the expansion of the RVP, which would be the subject of a separate report to members in due course.

Mr Colyer added that the proposed £300k within the civic development funding strategy, through 'increased share of business rates', was backed with a high degree of confidence, but also followed a prudent approach.

- Councillor Scholes also raised concerns over whether the acoustic arrangements within the new theatre would be suitable for symphony orchestra concerts. He advised that this was an issue that had been raised by the Royal Tunbridge Wells Symphony Orchestra, who had offered to assist with fund-raising, if it were felt that an acoustic 'shell' needed to be purchased as a solution.

Mr Almond advised that a full acoustic report had been commissioned as part of the Stage 2 documentation. He said that, while the new theatre would provide a 'drier' acoustic provision than the current Assembly Hall, the consultant's report had concluded that this should be appropriate for symphony orchestra concerts. Mr Almond added that he had already discussed this matter with the Royal Tunbridge Wells Symphony Orchestra and would be willing to continue these talks. He also said that he had provided the Orchestra with a guarantee that they could host their concerts at the new theatre until at least 2025.

- Councillor Hamilton paid tribute to the civic development team and the consultants for their comprehensive reports. She said she supported the proposal to provide a cultural centre of such high quality, which she believed would act as an inspiration for future generations. Councillor Hamilton asked whether the car park element, referred to by earlier speakers, was an aspect which could be reviewed.

Mr Candlin said that the project would see the loss of car parking spaces at both the Great Hall and in Mount Pleasant Avenue. He added that – strategically – it was important to retain car park numbers at a similar level in that part of the town centre, hence the proposal to provide 261 spaces, in this case under the new offices.

In terms of the demand for car parking linked to a new theatre, Mr Candlin added that, while the Council encouraged more people to cycle or walk, the lack of good public transport links from the surrounding rural areas emphasised the need for this element of the project. Councillor Hamilton accepted this argument but felt that the greater demand for public transport would lead to improvements in services.

- Councillor Hannam believed that the project was a very expensive example of the Borough Council looking after the residents of Tunbridge Wells town at the expense of those in the rural parts of the

Borough. He added that this followed the removal of an essential service in the Eastern part of the Borough, namely the civic amenity vehicle, and proposals to charge home-owners for removing garden waste under the new contract arrangements in 2019. He argued that, if the Council voted to approve the new waste and recycling contract – and its charges for removing garden waste – it was doing so purely to provide the necessary revenue savings required to fund the civic development.

- Councillor Bland disagreed with the tenet of that argument. He felt that the decision on whether to make a charge for the removal of garden waste under the new contract was a totally separate issue, a view which the Chairman confirmed. Councillor Bland said he was enthusiastic about the civic development and compared the current situation with the courage shown by the Council's predecessors, when they overcame the voices of opposition and approved the construction of the current civic centre.
- Councillor Rankin felt that it was difficult to disaggregate the two issues and sought the opinion of the Director of Finance, Policy and Development as to what the fall-back financial position was, should the Council not agree to make a charge for garden waste and therefore not achieve the estimated £700k savings on the new waste contract.

Mr Colyer advised the Board that he had been asked to prepare a funding strategy to deliver the civic development project, based upon finding sufficient savings and increasing revenue income to service the loan debt. He said that the waste contract was one element of that strategy, adding that, the last time this contract had been tendered, £800k of savings had been achieved. Another element, he added, was introducing alternative ways in which community groups could be supported other than by direct grants. He explained that discussions had been held with the major groups concerned, who had accepted the need to reduce grant aid, provided that it was on a phased basis, by means of a three-year settlement.

Mr Colyer said that what this Advisory Board was now being requested to do was to agree in principle with the civic development proposal and to determine at a later stage whether the Council wished to follow the funding strategy set out.

- Councillor Hamilton agreed with this assessment; she felt that the Board was being misled through conflating the two separate issues.

The Chairman drew the discussion to a conclusion and sought members' views on whether they supported the nine recommendations set out.

RESOLVED – That the recommendations set out in the report be supported.

BOROUGH LANDSCAPE CHARACTER ASSESSMENT SUPPLEMENTARY PLANNING DOCUMENT

PT34/17 David Scully, the Landscape and Biodiversity Officer, reported on the

outcome of the formal public consultation stage of the draft Borough Landscape Character Assessment.

Mr Scully drew attention to the significance of having an adopted document in place. He advised that a revised Landscape Character Assessment would be a key piece of evidence which would assist in the preparation of the authority's updated Local Plan, adding that other key pieces of evidence would also need to draw on the most up-to-date assessment.

Attention was drawn to the detailed comments made during the consultation stage and the Borough Council's response and consequent recommendation. Mr Scully also reported on the support for the document provided by Natural England, a statutory consultee.

Mr Scully reported that, subsequent to the publication of the agenda, he had received some late comments from Councillor March, in which she had sought clarification and some minor modification. Mr Scully said that, with the Advisory Board's approval, he would append the points discussed and the suggested changes, as part of the Cabinet agenda for 7 December. Members of the Advisory Board agreed to this suggestion.

Councillor Hannam welcomed the proposal that the Landscape Character Assessment should go forward for adoption as a supplementary planning document and thanked Mr Scully and the external consultants for the hard work which had gone into its production.

RESOLVED – That the recommendations set out in the report be supported.

URGENT BUSINESS

PT35/17 The Democratic Services Officer advised that there were no additional items for the Board's consideration which had arisen since publication of the agenda.

DATE OF THE NEXT MEETING AND SCHEDULED ITEMS

PT36/17 It was noted that the next meeting of the Board was scheduled to take place on Monday 8 January 2018, when the following items would be discussed, based on the current Forward Plan:

- Linden Road car park redevelopment
- Civic Complex Planning Development Framework Supplementary Planning Document
- Ashdown Forest Mitigation Policy

NOTE: The meeting concluded at 8.20 pm.