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Reference:
Date: 28 March 2019

Dear All

OVERVIEW AND SCRUTINY COMMITTEE - MONDAY, 1ST APRIL, 2019

I am now able to enclose, for consideration at next Monday's, 1st April, 2019 meeting of the Overview and Scrutiny Committee, the following report that was unavailable when the agenda was printed.

Agenda No	Item
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9	Calverley Square update (Pages 3 - 10)
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Kind regards,

Name

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Overview and Scrutiny Committee

1 April 2019

Is the final decision on the recommendations in this report to be made at this meeting?	Yes
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Calverley Square Development

Final Decision-Maker	Overview and Scrutiny Committee
Portfolio Holder(s)	David Jukes, Leader of the Council
Lead Director	Lee Colyer, Director of Finance, Policy and Development
Head of Service	David Candlin, Head of Economic Development and Property
Lead Officer/Report Author	David Candlin, Head of Economic Development and Property
Classification	Non-exempt
Wards affected	All

This report makes the following recommendations to the final decision-maker:

That members of the Overview and Scrutiny Committee note the update on the Calverley Square Development and specifically that the development remains on time and within the construction cost envelope (£90m).

- A Prosperous Borough
- A Green Borough
- A Confident Borough

The proposals within the Calverley Square Development support delivery of the Council's Five Year Plan through development of a new enhanced theatre, the provision of new office space and a new car park, and improvements to the entrance setting to Calverley Grounds, whilst protecting the historic integrity of the listed civic suite of buildings.

Timetable

<i>Meeting</i>	<i>Date</i>
Overview and Scrutiny Committee	1 April 2019

Calverley Square Development

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 Tunbridge Wells Borough Council is progressing with its proposals for a Calverley Square Development, including provision of a new theatre, new council offices and parking facilities to support the new developments.
 - 1.2 The Overview and Scrutiny Committee has requested that the development be included as a regular item on its agenda and that when 'gateways' or other significant stages in the development are reached, the Committee's members are given the opportunity to look at the issues and receive any relevant reports.
 - 1.3 The Overview and Scrutiny Committee has also requested that updates are provided to Members throughout the year on key issues within the development.
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2. INTRODUCTION AND BACKGROUND

- 2.1 The key elements of the Calverley Square development have been set out in previous O&S Committee reports. Full Council approved the delivery of the Calverley Square Development on the 6 December 2017 (Civic Development Delivery).
- 2.2 The Borough has a clear and ambitious vision to "grow our role as the cultural centre of the Kent & Sussex High Weald, so that by 2024 the borough of Tunbridge Wells is nationally recognised for its vibrant cultural provision". Having a modern theatre sits at the heart of this vision. The commitment to deliver a modern theatre fit for the 21st Century and deliver new office space on Mount Pleasant Avenue Car Park are key components of the Council's Five Year Plan. The Calverley Square development will therefore provide:
 - A new 1,200 seat theatre that is able to stage high quality touring shows;
 - A new shared-use building including accommodation for civic functions and offices for TWBC and third party organisations;
 - An underground car park (approximately 260 car park spaces) partly under the office building and extending under part of Calverley Grounds; and
 - Local remodelling of the public realm associated with the above buildings and car park.
- 2.3 Overview and Scrutiny Committee recognises the significant impact the Calverley Square development proposals will have on Tunbridge Wells town centre and on the borough as a whole. Overview and Scrutiny Committee members feel they have a part to play in ensuring the views and concerns of the borough's residents are given an appropriate forum. The Committee is also keen to fulfil its role in providing a critical challenge to key decisions the Council's executive will be making as the development progresses

3. Economic Benefits

- 3.1 The development will cost £90m with a net annual revenue cost to the Council of £2.3m. The investment will deliver up to 362 new jobs and annual net economic benefits of:

	Annual Net Economic Benefit
New Theatre	
Earnings (Direct)	£0.6m
Earnings (Indirect)	£0.2m - £0.3m
F&B Direct Expenditure	£0.9m - £1.1m
Town Centre Expenditure	£1.3m - £2.6m
Commercial Offices	
Earnings (Direct)	£7.4m - £7.8m
Earnings (Indirect)	£2.2m - £2.9m
Town Centre Expenditure	£0.2m - £0.4m
GVA (Gross Value Added)	£24.3m - £33.2m

- 3.2 The Council commissioned GVA to produce a Wider Economic Benefits Assessment of the Calverley Square scheme. This assessment was independently tested by Lichfields on behalf of the Local Planning Authority. The above table sets out the sensitivity tested range of economic benefits delivered by the scheme on an annual basis.
- 3.3 The above does not include the annual economic benefits that would arise from the redevelopment of the existing civic centre complex.

4. CPO Public Inquiry

- 4.1 As Members will be aware the Council has progressed with the use of its statutory powers through Compulsory Purchase Order (CPO). The CPO Inquiry commenced on 12 February 2019. Initially planned for 10 days with potentially two of those days for slippage the inquiry lasted longer than originally anticipated. In the end the inquiry lasted 12 days over four weeks running 12 - 15 February, 19 – 22 February and 26 - 27 February and 4 and 8 March 2019.
- 4.2 The inspector provided every opportunity during the course of the inquiry for those appearing at the inquiry to ask their questions and for allowing questions from the public attending to each of the professional expert witnesses. Overall this added some time to the overall length of the inquiry but provided the opportunity for the inspector to listen to all the questions.
- 4.3 Statutory objectors and others members of the public were given the freedom to ask any questions they wished. However on a couple of occasions the inspector did need to ask the objectors appearing at the inquiry to focus their questions, highlighting that the questions were not really helping the inspector and that the inquiry was not an information gathering exercise.

CPO Assessment

- 4.4 At the inquiry the Council was required to set out its case as to why the CPO should be confirmed and to address the following requirements:
- Whether the purpose for which the land is being acquired fits in with the adopted Local Plan for the area;

- The extent to which the proposed purpose will contribute to the achievement of the promotion or improvement of the economic, social or environmental well-being of the area;
- The financial viability of the scheme and whether there is a reasonable prospect that the scheme will proceed;
- Whether the purpose for which the acquiring authority is proposing to acquire the land could be achieved by any other means, including consideration of the appropriateness of any alternatives suggested.

4.5 The above matters were set out within the Council's Proofs of Evidence.

Public Interest Report

4.6 The objectors' proof of evidence can be viewed on the inquiry website. For the first time the full consideration of a public interest report in respect of the Council's decision-making in relation to the proposed new theatre and the delivery of value for money was made publically available by the recipient (Dr. R Chris's proof of Evidence Exhibit K).

4.7 The report by Grant Thornton was issued in March 2018 and followed a nine month detailed investigation. The independent auditor concluding that they would not issue a report in the public interest as they have not identified any significant weaknesses in the Council's decision-making arrangements in respect of the new theatre.

4.8 The independent auditor also considered whether the Council had met its statutory duty to achieve Best Value. The auditor concluded that they do not consider that any decisions have been unreasonable or have indicated the absence of arrangements for achieving Best Value.

Site Visit

4.9 As part of the overall inquiry the inspector allocated the afternoon of 4 March for a site visit. This was attended by the Council and a number of objectors appearing at the inquiry. The site visit was not an opportunity to present evidence and to the most part this was respected by those attending. Any requests made by people appearing at the inquiry to highlight location specific points mentioned in their evidence were included in the site visit. This included for example visits to the Lodge at the entrance to the Grounds, a flat in Grove Hill House, Sunniva Carpets and Trinity Theatre.

4.10 While it was clear the inspector had independently visited the site on a number of occasions, the visit took in the Lodge, Grove Hill House, Great Hall Car Park, Hoopers service yard and car park, Great Hall Arcade, Calverley Grounds, Mount Pleasant Road, Trinity Theatre, Town Hall and Assembly Hall Theatre. In addition the inspector was to view independently two properties identified by the Council for the relocation of the dental surgery. In all around 15 objectors attended the site visit with the inspector although only half completed the visit to the top of Mount Pleasant Road to Trinity Theatre, Town Hall and Assembly Hall.

CPO Website

4.11 The Public Inquiry website includes all the documents submitted to the inquiry from both the Council (Acquiring Authority) and objectors. This includes main evidence and any subsequent notes published clarifying aspects. The website remains available at

least up until a decision has been announced by the Inspector. The website address is: <http://calverley.persona-pi.com/>

Timetable

- 4.12 The inquiry closed on Friday 8 March. The inquiry is one of the first to be undertaken within the new rules where the decision is taken by the Inspector. At the close of the Inquiry the Inspector stated a decision would be within eight weeks. A note providing some clarification was suggested a week after close of the Inquiry to confirm dates but at the time of writing this has not been issued. Assuming that a decision on the CPO is issued within eight weeks it could be expected at or around the 6 May 2019.

Venue

- 4.13 The selected venue for the CPO Inquiry was the Mercure Hotel, Tonbridge Road, Pembury. While there was some criticism of the choice of venue based on its location however, it is on a number of bus routes as outlined in the Inspectors note and it had successfully accommodated the A21 Public Inquiry previously. In reality there were few alternatives available during the timescale of the inquiry which included school half term. Both the Camden Centre and Assembly Hall Theatre had a programme of bookings that would not enable the Inquiry to be held in these locations and the Council Chamber is used by the Court every Tuesday. While other local hotels had events on which prevented the use of their facilities.
- 4.14 As a venue for the Inquiry the Mercure Hotel benefited from a number of rooms being required for the Inquiry itself, storage for documentation, ancillary rooms for both the Inspector, objectors and the Council and it's professional and legal team as well as room bookings provided an ideal venue.
- 4.15 The size of room for the main inquiry was more than sufficient as the anticipated numbers of objectors never materialised. Given the use of the facilities and duration of the event, the team at the Mercure were very professional and supportive. Some thanks are due to making us feel welcome and accommodating a number of late changes to the schedule and dates for the inquiry.
- 4.16 During preparation for the public inquiry the anticipated cost was £500,000. However with the increased length of the public inquiry the cost is now expected to be higher than this. This does not impact on the development costs as legal and other costs are covered by the Calverley Square reserve.

Negotiations

- 4.17 During the course of the Inquiry negotiation with a number of the objectors continued, including Sainsburys, the BBC and the owners of the Great Hall Arcade. As a result all three did not attend the Inquiry. While the BBC attended to ask questions of our construction contractor Mace, subsequent discussions enabled a letter of undertaking to be agreed. The various undertakings are now being developed into agreements with the three parties.
- 4.18 The primary concern for the BBC relates to noise and vibration during the demolition and construction phases. To enable this to be monitored during the development noise and vibration measurements will be taken prior to a start on site. Values will then be agreed between the parties. Establishing these measurements will include a test day expected to be towards the end of April. Communication with nearby residents and businesses will be set up when dates for these tests are confirmed.

5.0 AVAILABLE OPTIONS

5.1 The updates on the Calverley Square development are for Members to note.

6.0 NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

6.1 The views of the Committee will be reflected in the minutes of the meeting which will be published on the Council's website.

7.0 CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off (name of officer and date)
Legal including Human Rights Act	There are no legal implications resulting directly from the recommendations in the report	Patricia Narebor, Head of Mid-Kent Legal Partnership
Finance and other resources	<p>With the loss of all government grants, future funding will be dependent on this Council's ability to deliver growth and to retain a greater share of business rate growth proceeds.</p> <p>The finances of the Calverley Square development scheme were identified in the Full Council report on 6 December 2017. The finances have been independently reviewed and the council does have the financial capacity to deliver the scheme provided the schedule of cost reductions is achieved.</p>	Jane Fineman, Head of Finance and Procurement
Staffing establishment	There is no impact on staffing levels as a result of the recommendations in the report.	Nicky Carter, Head of Human Resources and Customer Services
Equalities	<p>Previous decisions on Calverley Square have included an Equalities Impact Assessment on the Five Year Plan policy 2017-2022, which included proposals to build a new theatre, offices and car park, an Access and Inclusivity Statement from an Access Consultant, prepared at RIBA Stage 3 of the design work, and an Equalities Impact Assessment prepared for the CPO process.</p> <p>Future decisions relating to either Calverley Square or the civic complex, including implementation decisions for the funding strategy, will be accompanied by an Equalities Impact Assessment relating to those specific decisions as they arise.</p> <p>Decision makers are reminded of their duty under</p>	Report author

	the Public Sector Equality Duty (s149 of the Equality Act 2010) to have due regard to (i) eliminate unlawful discrimination, harassment, victimization and other conduct prohibited by the Act, (ii) advance equality of opportunity between people of different groups, and (iii) foster good relations between people from different groups.	
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8.0 REPORT APPENDICES

None.

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