

Part I

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All Wards

WELWYN HATFIELD BOROUGH COUNCIL
CABINET – 7 NOVEMBER 2017
REPORT OF THE EXECUTIVE DIRECTOR (RESOURCES, ENVIRONMENT AND
CULTURAL SERVICES)

HATFIELD TOWN CENTRE REGENERATION – SUPPORT FROM HERTFORDSHIRE
LOCAL ENTERPRISE PARTNERSHIP

1 Executive Summary

- 1.1 The Council is committed to the renewal of Hatfield by endorsing the vision and policies in the emerging Local Plan and the vision and objectives contained in the Hatfield Renewal Framework.
- 1.2 This is evidenced by the Council's £4.65m investment in Hatfield Town Centre for the renovation of shops, arcade canopy, offices and flats, which resulted in new national and independent retailers locating in the town centre.
- 1.3 Cabinet agreed at its meeting in April to give delegated authority to the Executive Director (Resources, Environment and Cultural Services) in consultation with the Executive Member for Resources and the Executive Member for Business, Partnerships and Public Health to submit a funding bid to Herts Local Enterprise Partnership (LEP) for £6 million to support further developments in Hatfield town centre.
- 1.4 The funding bid submitted to the LEP comprises two elements:
- £1.2m Public Realm Improvement in White Lion Square
 - £4.8m for the construction of a multi-storey car park to consolidate car parking in Hatfield, which will free up Link Drive parking site for housing development
- 1.5 The purpose of this report is to inform Members on the outcome of the LEP funding bid and also the next stage of Hatfield Town Centre regeneration projects.

2 Recommendation(s)

- 2.1 That Cabinet note the Council has been successful in securing a £6m funding package from the LEP for Hatfield Town Centre regeneration, with the grant conditions detailed in paragraph 3.3.
- 2.2 That Cabinet agree to recommend to Council that £6m will be added to the capital programme for the construction of a multi-storey car park on The Common car park site in order to release land for housing development and that £1m will be released immediately, with £5m to be added to the 2018/19 capital budget.

- 2.3 That Cabinet note the multi-storey car park will be funded by £4.8m from the LEP and the remainder will be funded by the Council's own capital resources.
- 2.4 That Cabinet agree to recommend to Council that £1.3m will be added to the capital programme for a single deck to be built on Lemsford Road car park to relieve the parking pressure in the town centre during the construction of the multi-storey car park. The split of funding will be £0.3m for the current year and that it will be released immediately, with the remaining £1m to be added to the 2018/19 capital budget.
- 2.5 That Members authorise officers to prepare and submit planning applications for all the projects shown in section 3 of this report.
- 2.6 That Cabinet agreed to expand the remit of the Member Procurement panel for 1, 3-9 Hatfield Town Centre to oversee the procurement process for the Public Realm improvement in White Lion Square, Multi-Storey Car park, single deck at Lemsford Road car park as well as Link Drive development. The terms of reference is shown in Appendix A.
- 2.7 That Cabinet agree that a revenue budget growth of £12k will be required in 17/18 in order to support the work required in Hatfield Town Centre parking changes. The budget implication in future years will be considered as part of the 2018/19 budget setting process.

3 Explanation

- 3.1 Cabinet considered a report in April, which sets out the vision in the Hatfield Renewal Framework; it was also noted that the construction of a multi-storey car park on The Common car park site is a pivotal project that will unlock the scope for existing surface car parks to be redeveloped for other uses.
- 3.2 Subsequent to this, the Council has submitted a funding application to the LEP totalling £6m, namely £1.2m to improvement public realm in White Lion Square and £4.8m for the construction of a multi-storey car park in the existing Common car park site. This funding bid was endorsed by the Hatfield Renewal Partnership, the stakeholders of which include this Council, University of Hertfordshire, Oaklands College, Hatfield Town Council, Finesse Leisure, Goodman Business Park, Gascoyne Cecil Estates, Herts Local Enterprise Partnership and Hertfordshire County Council
- 3.3 The LEP Board considered the Council's funding application at its meeting at the end of September and it was subsequently agreed that:
 - Approval of grant funding of £4.8m for the multi-storey car park
 - Approval of grant funding of £1.2m towards public realm improvements
 - The LEP to require the Council to recirculate the £4.8m from the multi-storey car park into new housing in Hatfield (especially on the Link Drive site)
 - The LEP to require the Council to provide written assurance that grant funding to the value of £4.8m will be used to support the creation of housing after the multi-storey car park is operational and no later than 31st March 2025

- The LEP to require the Council to guarantee delivery of the proposed outputs (570 houses and 131 jobs) by no later than 31st March 2028

Public Realm improvement in White Lion Square

- 3.4 The £1.2m project aims to make better use of White Lion Square, create a more welcoming vibrant environment, increasing dwell time and drive footfall to shops and businesses in and around the town centre. A public consultation event took place in early 2015, which sought views on how residents and businesses would like to see the space used. Officer and stakeholder workshops also took place to develop more detailed requirements. The work is already included in the Council's capital programme for 2017/18 and 2018/19.
- 3.5 It is anticipated that the public realm improvement would start in Spring 2018 and the work is expecting to finish in Summer 2018.

Multi-Storey Car Park

- 3.6 Cabinet considered at its meeting in April that a Multi-Storey car park would need to be built in The Common Car Park site in order to unlock the redevelopment potential of a number of other sites in and around the town centre.
- 3.7 At this stage it is anticipated that up to a six storey steel structure with about 600 spaces will be sufficient to re-provide spaces likely to be lost in other surface car parks. The total cost of the construction is estimated at £6m, of which £4.8m will be funded by the LEP grant and the remainder will be funded by the Council's capital resources.
- 3.8 It is anticipated that the construction for the multi-storey car park will start during Winter 2018, with the car park becoming operational during Autumn 2019.

Single Deck at Lemsford Road Car Park

- 3.9 It is recognised that during the construction of the multi-storey car park, there will be a loss of 141 parking spaces in the Common car park, which is mainly used as short stay at present. This will undoubtedly cause disruption to businesses, shoppers, visitors and local workers on a day to day basis. Residents are also likely to experience even more parking congestion and a possible increase in safety issues, due to people parking on junctions and corners. It would also be necessary to change the arrangement in some of the car parks (e.g. changing from long stay to short) to minimise the impact for the visitors and shoppers to the town centre.
- 3.10 One of the other ways to increase the parking provision within the town centre during the construction would be for the provision of a single deck in the Lemsford Road car park, which will provide about 100 parking spaces and would significantly reduce the amount of displacement of vehicles to residential roads. The cost of purchasing the deck is estimated at £1.3m, which has a 20 year lifespan and can be relocated to other parts of the Borough, subject to fees, surveys and suitability of site.
- 3.11 It should be noted that a funding bid has been made to the Homes and Communities Agency (HCA) for the cost to purchase the deck.

- 3.12 The regeneration of Hatfield Town Centre will have major impact on parking in and around Hatfield Town Centre, and a series of public consultations will need to be carried out by the Council's parking team. Due to the timescale of delivery and in order to minimise the impact on the existing parking consultation programme in other areas, it would be necessary to bring an additional resource into the parking team. It is anticipated that a budget growth of £12k will be required in 17/18 and the impact on future years will be considered as part of the budget setting process in 18/19.

Link Drive Car Park

- 3.13 It should be noted that that the Hatfield Renewal Framework has already identified Link Drive car park as an opportunity area for housing development. Officers from Corporate Property are currently exploring the best form of development and delivery arrangements for this site and that the construction phase will start after the multi-storey car park is constructed.

Implications

4 Legal Implication(s)

- 4.1 There are known claw-back covenants affected The Common car park site and Link Drive car park. As at 2017, some 34% of any uplift in value of these sites may be payable to the Homes & Communities Agency. This percentage decreases by 2% per annum. This has been raised with the Agency with a suggestion that the covenants could be withdrawn in order to enable development to progress.
- 4.2 Title searches will need to be undertaken in respect of all potential development sites owned by the Council.

5 Financial Implication(s)

- 5.1 In terms of the capital budget, the £1.2m public realm improvement work in White Lion Square will be wholly funded by the LEP grant. The Multi-Storey car park in the Common car park site will be funded by £4.8m of LEP grant and up to £1.2m of Council's own resources. The construction of a single deck at Lemsford Road car park will cost the Council £1.3m, if the funding bid for HCA is not successful.
- 5.2 In terms of revenue budget implication, if the additional resource for the parking team is agreed, there will be an in-year budget growth of £12k for 17/18 and the impact on subsequent years will be about £45k per annum. The running costs of the multi-storey car park, single deck at Lemsford Road car park will be considered as part of budget setting in future years.

6 Risk Management Implications

- 6.1 There is a risk that if the Council is unable to deliver the housing and jobs outputs, it would be required to repay part of the £6m funding to the LEP. Likelihood Low, Impact High
- 6.2 The cost of the multi-storey car park may exceed the initial estimates. Likelihood Low, Impact Medium
- 6.3 There is a risk that the HCA will not withdraw its claw-back covenants. Likelihood Low, Impact High

6.4 There is a risk that the number of visitors and shoppers may drop during the construction of the multi-storey car park. Likelihood High, Impact High.

7 Security & Terrorism Implication(s)

7.1 There are no security or terrorism implications

8 Procurement Implication(s)

8.1 The procurement for the construction of a multi-storey car park and the single deck will be undertaken in accordance with the Public Contracts Regulations 2015 and the European Procurement Directives.

8.2 It is recommended that the remit of the Member Procurement Board for 1, 3-9 Hatfield Town Centre is expanded to oversee the procurement process for the projects highlighted in section 3 in this report.

9 Climate Change Implication(s)

9.1 There are no direct climate change implications to consider.

10 Link to Corporate Priorities

10.1 The subject of this report is linked to the following Council's Corporate Priorities:

- "Meet the Borough's Housing Needs";
- "Engage with our communities and provide value for money"; and
- "Help build a strong local economy".

11 Equality and Diversity

11.1 An Equality Impact Assessment (EIA) has not been carried out in connection with the recommendations in this report. There will however be an obligation to provide disabled parking spaces and a disabled-access lift as part of the multi-storey car park. A detailed EIA will therefore be carried out as part of the design process.

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Date 9 October 2017

Background paper: Hatfield 2030+ Renewal Project 4th April 2017

Appendix A – Terms of Reference for the Procurement Board

- The Procurement Board will oversee the Procurement process for the following projects in Hatfield Town Centre Regeneration:
 - 1, 3-9 Hatfield Town Centre
 - Public Realm improvement in White Lion Square
 - Multi-Storey Car park
 - Single deck at Lemsford Road car park
 - Link Drive housing development
- The Procurement Board will have the following remit for the above projects:
 - Agreement of evaluation criteria for selection of tenderers
 - Agreement of tender list
 - Agreement of tender evaluation criteria
 - Selection of developer/contractor
 - Recommendation to Cabinet on appointment of developer/contractor