



Southmead Town Centre Vision



Vision | Consultation | Delivery August 2016



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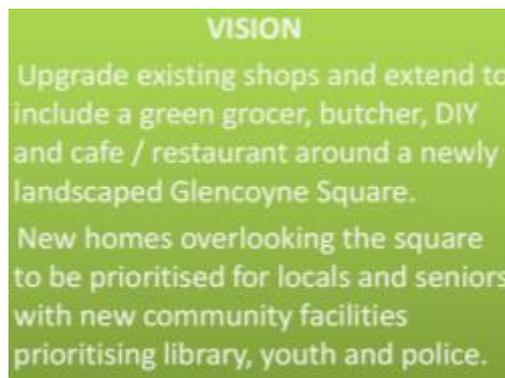
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SUMMARY

This study summarises work completed in the second quarter of 2016 to develop an outline vision and business plan for central Southmead that incorporates:

- a. headline vision, objectives and priorities
- b. community consultation
- c. boundaries of ownerships
- d. headline procurement strategy

A number of Southmead's community groups¹ and councillors have jointly worked up a plan to improve the area's main shopping destination and provide around 200-300 new homes. Opportunities to develop in and around Glencoyne Square by extending Arnside Road and creating a new square based on Queen's Square in central Bristol have been explored and a vision for the area has been agreed.



Most of the land is in council ownership and our understanding regarding planning is that permission will be within the gift of the planning committee (ie local councillors). Initial consultation entailed 5,000 flyers distributed to 4,500 homes in Southmead and local businesses inviting interested parties to attend one of 6 consultation events. The events lasted approximately 1.5 hours (ie a quite detailed and sophisticated approach) and were attended by 62 attendees (making over 50 choices/decisions) concerning:

1. Community priorities for the area
2. Community support (or not) for new development

Consultation results in summary:

Priorities for the Area		Support for New Development
<ol style="list-style-type: none"> 1. Existing shopping upgrade 2. Police neighbourhood unit 3. Library 4. Hardware/DIY store 5. Greengrocer 	<ol style="list-style-type: none"> 6. Youth centre 7. Butcher 8. Community hall (large) 9. Beautifully landscaped square 10. Cafe/restaurant (on the square) 	<ul style="list-style-type: none"> • 90% of attendees supporting development on and around Glencoyne Square and • the majority supporting development on Greystoke Avenue

Furthermore the community consultation made clear the importance of providing affordable housing prioritised for local people wherever possible. Accordingly the vision includes the ambition to provide affordable housing with further ethical market rented accommodation.

¹ Southmead Development Trust; Southmead Community Association; BS10 Parks and Planning, Southmead Steering Group and the Southmead Community Plan steering group.

Initial outline appraisals have been carried out that indicate the initial phases are deliverable especially if supported by the innovative social investor approaches being explored by BBRC.

Immediate next steps are to undertake comprehensive financial modelling to support a strategic options exercise that will in our view a community led approach to development.

1. INTRODUCTION AND CONTEXT

1.1 THE STUDY AREA AND BRIEF

TownCentred met with BS10 Planning Group in April 2015 to discuss the shopping, leisure and face to face community offering in the Southmead area which resulted in a short exercise exploring possible improvements to the shopping around Arnside Road.

This work concluded with presentations to the BS10 Planning Group, Southmead Development Trust, The Mayor and Councillors and other stakeholders and highlighted the negative impact of large amounts of green space in relation to shops; the development opportunities around Glencoyne Square in relation to similar sized squares in Bristol (eg Queen's Square); the community benefits of catalysing mid-rise development in the area; and a vision not simply to build some new apartments but to create a wonderful new place for people to live, shop and enjoy leisure pursuits.

Recommended next steps were broken down into 3 phases:

1. Develop outline vision and business plan
 - a. headline vision, objectives and priorities
 - b. community consultation
 - c. redline boundaries of ownerships
 - d. headline procurement strategy
2. Secure landowner (council) commitment
3. Procure a 'Co-Investment JV Partner' (to avoid ojeu etc*)
 - a. Pay for procurement process
 - b. Partner matches development sites value with cash
 - c. Jointly procure detailed designs for planning applications

This report advances Phase 1 above, in particular focussing on the community engagement and consultation element. A work plan in chronological order was agreed as follows:

- Develop outline physical plans – ie block layouts of the future enlarged centre with corresponding visuals
- Community engagement and consultation – a series of 1 hour+ workshops in order all members of the community have the opportunity to attend
- Indicative values of new development
- Initial landowner meetings – ie beyond the council
- Delivery structures

1.2 CURRENT SITUATION

A number of studies are available to draw upon setting out the current situation in Arnside immediate area and wider Southmead:

The Neighbourhood Profile 2014, completed by the city council in 2014 found:

Higher than city average

- children
- older people

- travel by car
- overweight or obese
- resident fear of crime
- deprivation

Low levels

- community cohesion
- life expectancy

In particular life expectancy is a concern given it rises by nearly a decade when compared with some neighbouring council wards.

The Southmead Community Plan sets out a vision that seeks:

- a great place
- strong community
- work together... inspire
- skills and confidence...
- achieve full potential...
- influence decisions...
- investment



The plan seeks to do this around a series of themes, many of which may be supported by the ideas set out in this document for improvements to the town centre, in particular around:

- Health and well being
- Enterprise
- Housing, Planning, Parks and Green Spaces
- Community Buildings and Facilities
- Traffic and Transport
- Crime and Community Safety

Finally drilling behind the published Community Plan to the consultation undertaken to create it, the following specific comments and concerns about Arnside shopping area emerge:

<ul style="list-style-type: none"> • always littered with rubbish... very shabby and run down • poor food shopping facilities-need to encourage healthy eating • buildings are in poor repair not attractive place to visit • feel sad to see dirty run down state • no decent veg shops but plenty of take aways • less shops selling alcohol? • parking on pavements outside Tesco is dreadful • less alcohol outlets and take away shops please 	<ul style="list-style-type: none"> • need a good pub for socialising • a nice coffee shop • not safe for pedestrians – needs different design • fenced off areas of grass for children • more like Westbury Village - 'Southmead Village'?
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1.3 PLANNING CONSIDERATIONS

Specialist planning advice was beyond the means of this outline study. However informal advice has been received and we understand that the key planning issue is the fact much of the area proposed for development is designated as 'important open space' and protected by various planning authority adopted policy incorporated in:

- Core Strategy Policy BCS9 and
- Development Management Policy DM17

BCS9 states: "The integrity and connectivity of the strategic green infrastructure network will be maintained, protected and enhanced. ...Individual green assets should be retained wherever possible and integrated into new development. Loss of green infrastructure will only be acceptable where it is allowed for as part of an adopted Development Plan Document or is necessary, on balance, to achieve the policy aims of the Core Strategy. Appropriate mitigation of the lost green infrastructure assets will be required."

We understand it is possible to overcome the policy with local support and by demonstrating the proposals result in an enhancement of the remaining open space as it will provide better amenity and passive surveillance for those using it. Furthermore, by creating the housing, much of which will be affordable homes prioritised for local people where possible it is likely it will be embraced by the Council, even if the planning officer has reservations over the loss of green space.

Policy DM17 states: "Development on part, or all, of an Important Open Space as designated on the Policies Map will not be permitted unless the development is ancillary to the open space use." This will be more difficult to justify although it could be argued that the development is ancillary or that there are other mitigating circumstances such as the excess of open space in Southmead.

Most important will be the backing of the local community and the various organisations working in Southmead, the Ward Councillors and local MP. The various stages would be a pre-application process and then submit an application with one of the Ward Councillor's referring the application to the planning committee for a decision. This way, even if the planning officer provides a negative conclusion, the committee can over-rule the planning officer and grant approval even though the development is technically contrary to policy.

2. COMMUNITY CONSULTATION

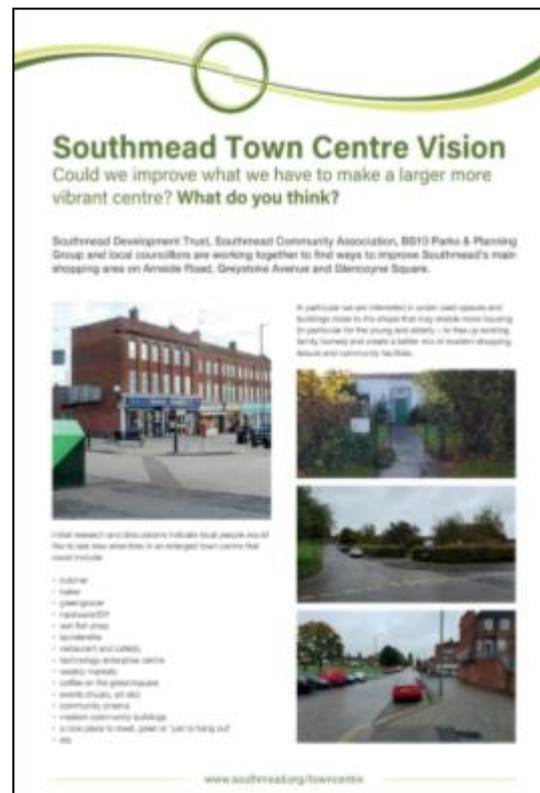
2.1 CONSULTATION DESIGN

Given the fairly sophisticated nature of the feedback sought in the consultation it was agreed that a series of workshops eliciting detailed, qualitative feedback from the local community was necessary. Accordingly 5,000 flyers were distributed to 4,500 homes in Southmead and local businesses inviting interested parties to attend one of 6 consultation events.

In practice the events lasted approximately 1.5 hours and were attended by 62 attendees (making over 50 choices/decisions) to inform this project.

Each event was split broadly into three parts. A lengthy introduction outlining the issues and opportunities for new development was followed up by two broad questions:

1. What are your priorities for the area?
2. What development are you willing to support to enable it to happen?



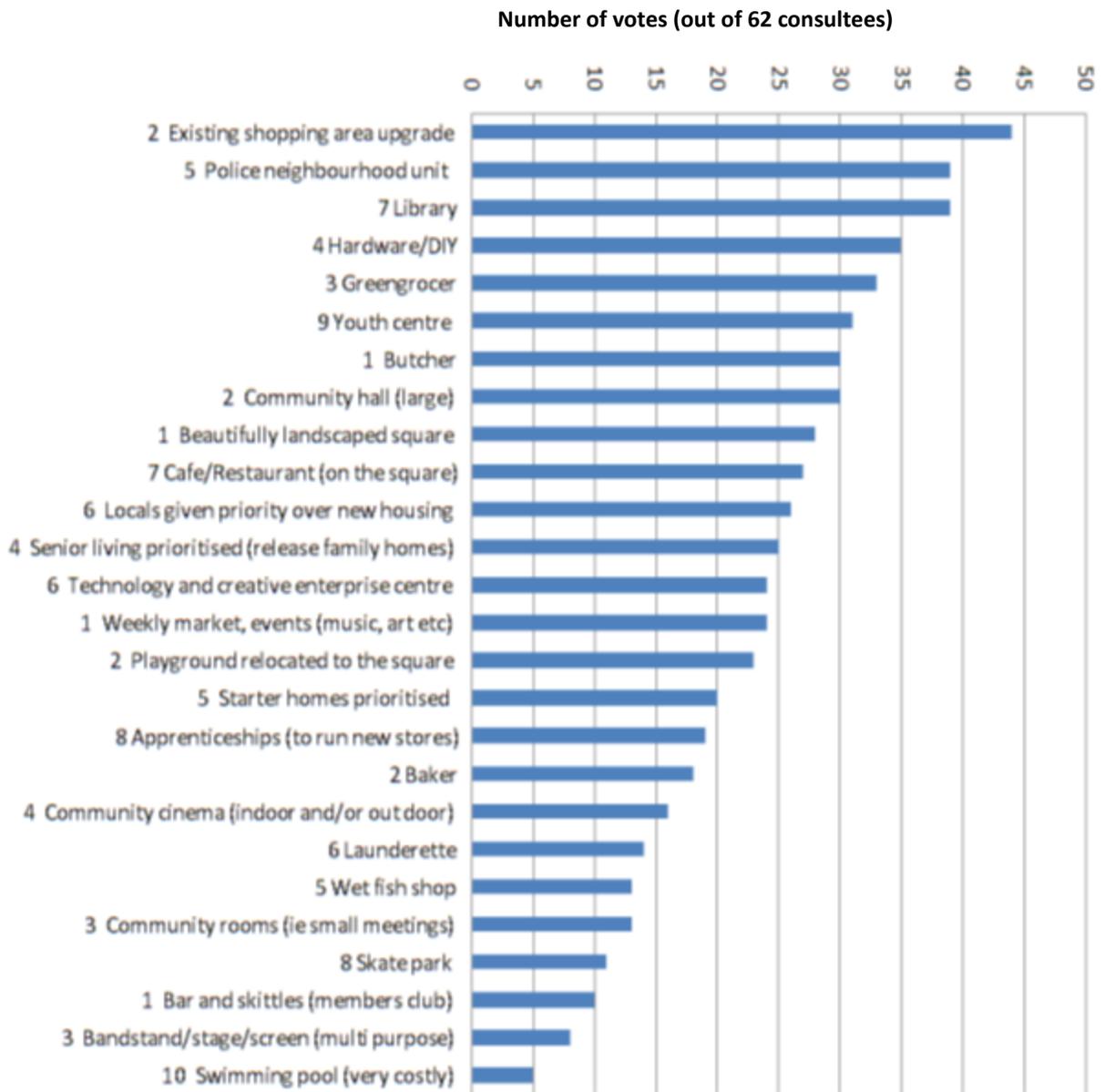
2.2 FUTURE PRIORITIES

Drawing on earlier research of the area a long list of nearly 30 ideas for improvement to the area was drawn up and presented to attendees who were asked to indicate their own priorities and preferences:

The top ten priorities as voted by the community are as follows and now form the basis for the Vision (see later):

1. Existing shopping upgrade
2. Police neighbourhood unit
3. Library
4. Hardware/DIY store
5. Greengrocer
6. Youth centre
7. Butcher
8. Community hall (large)
9. Beautifully landscaped square
10. Cafe/restaurant (on the square)

The full list of priorities is as follows:



Graph: Indicating Community Priorities for Revitalised New Centre

2.3 NEW DEVELOPMENT

The consultation then asked attendees what new development they would be willing to support to enable potential delivery of the priorities set out above. The session included a presentation and discussion around key principles for successful town centres and high streets:

Issues discussed

Corresponding presentation slide from consultation

Are green spaces good or bad for a town centre?
How much new local demand could be created by building on a small part of the green spaces in and around Arnside Road?

Local Shopper Demand - walking



- 4x as many customers in easy walking
- 750 extra homes spending average £3-4k pa = £2m+ pa
- Extra demand => 8-10 independent businesses

Is land in the immediate area used well? Could and should we be looking at some sites for appropriate redevelopment to serve local housing needs and create local economic demand for the shops?

Land – used well?



Could and should Glencoyne Square be developed in a form closer to that of Queen's Square in central Bristol? - mainly by extending the built form of Arnside Road (3 storey) around the corner into the square and building similar 3 storey plus a mansard floor.



What development is appropriate? Fourteen sites were outlined indicating recommendation for development in green (by the working group) and for possible development in amber. Attendees were asked to indicate 'yes' or 'no' to which development if any they supported.

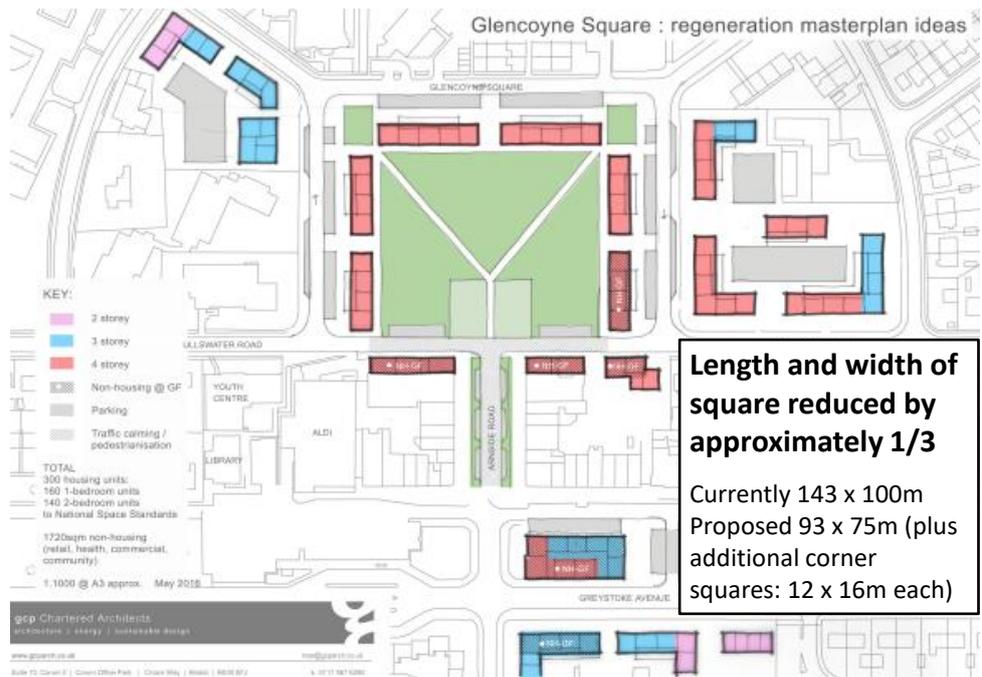


How can we create a town centre with a bigger better 'heart'? ideas from elsewhere were presented showing successful integration of shopping, leisure, green space etc and possible funding streams released by new development.

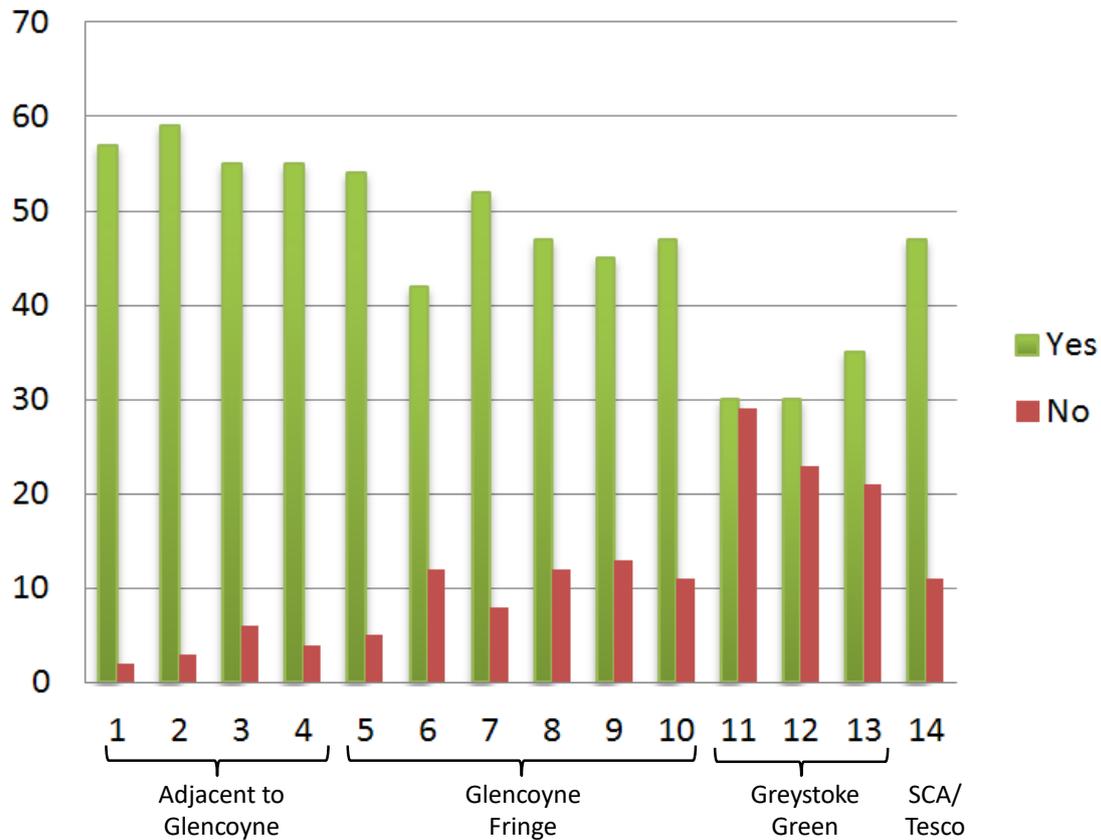


- Profit share
- Community Infrastructure Levy
- New Homes Bonus
- Active management
- Etc

Finally an outline scheme was presented to attendees showing how the dimensions of the square would potentially reduce in size by 1/3.



The results of the consultation were very positive with nearly 90% of attendees supporting development on and around Glencoyne Square and the majority supporting development on Greystoke Avenue: Please could you label the graph (number of respondents from the 62 attendees (or x completed forms if x is less than 62)) and potential development site.



Graph: Indicating Community Support for Development on Specific Sites (out of 62 consultees)

“As a resident of Glencoyne Square I am really impressed with your presentation and excited for the future of the mix of young and old!”
(Written comment from consultation event)

3. DRAFT VISION, PRINCIPLES AND TARGETED BENEFITS

3.1 DRAFT VISION

Based on the consultation the working group agreed the following Vision to carry the project forward:

VISION

Upgrade existing shops and extend to include a green grocer, butcher, DIY and cafe / restaurant around a newly landscaped Glencoyne Square.

New homes overlooking the square to be prioritised for locals and seniors with new community facilities prioritising library, youth and police.

3.2 DEVELOPMENT PRINCIPLES

'RETROFITTING'

Whilst 1950s and 1960s development generally met desperate house shortages the urgency to deliver quantity sometimes was not matched by quality in terms of retail and community centre provision.

In the US where these sorts of problems and opportunities exist to a much greater degree the concept of 'retro-fitting'² is growing as illustrated by the triptych of images below:

² http://www.ted.com/talks/ellen_dunham_jones_retrofitting_suburbia



(Source: Institute of Transport Engineers - Context Sensitive Solutions – In Designing Major Urban Thoroughfares for Walkable Communities).

Retrofitting seeks to deal with the unintended consequences of suburbanisation such as vacancies, underperformance, obsolescence etc and replacing these unfortunate manifestations by retrofitting more sustainable places by scrapping some existing buildings and building a town centre that the suburb never had.

The benefits of retrofitting suburbia in this way are considerable:

- Climate change: suburban living causes larger carbon footprints – ie people drive more and detached buildings ‘leak’

- Health: Obesity is rising at alarming rates given lifestyles that rely on car use and increasingly sitting in the car, at work and at home
- Demographic shift from less families to more singletons



Example of Retrofitting; from obsolete 1960s shopping centre to 21st century high street, Cape Cod, Massachusetts, US.

OPPORTUNITY

The very limited nature of development around Glencoyne Square and the severe housing crisis has resulted in a unique opportunity to create a new square to accommodate the growing needs for new homes and jobs and set new standards for sustainable ‘place-making’ in Bristol.

The ideas set out in this framework seek to optimise densities in order to provide significant new homes and at the same time create the demand for a more successful shopping and leisure centre. Land ownerships in the area are largely in the public sector, particularly the early phases.

BEST OF BRISTOL

The core concept explored here is the creation of a high quality square based on the best characteristics of Bristol which will integrate with the neighbouring housing and shops – in particular the built form of Queens Square in Bristol city centre has been noted as a potential exemplar:



Queens Square, Bristol



Glencoyne Square

A TOWN CENTRE AND 21ST CENTURY HIGH STREET AND SQUARE

This core concept will strive to create a place that:

- transforms largely under-used land around Glencoyne Square
- Knits into the existing urban grain by integrating with the existing Arnside Road
- Improves connectivity and permeability throughout the area
- Provides a series of accessible open spaces that are productive, sustainable and have many uses
- Introduces a new 'front door' to Southmead
- Has a timeless beauty that delights and inspires
- Promotes neighbourly values
- Convivial network of streets and major square to encourage socialising, walking and cycling
- Walkable and car accessible neighbourhoods with a mix of uses
- High quality public realm and open space

As well as a range of shops, cafes and restaurant(s), it is proposed that the centre will be a vibrant and diverse focus for the community. An enterprise centre would have strong links to retail spaces, the library and other community uses. The existing health practice and other community facilities already provide strong drivers to grow this area and this development would seek to ensure their future in new or improved premises.

BUILDING HEIGHTS

Mid-rise not high rise. Given this is the urban centre for Southmead it is anticipated that the new development will comprise 3-4 stories in keeping with the existing Arnside Road and similar to Queens Square (ie 3 stories plus a fourth mansard (roof) floor of accommodation).

Furthermore it is envisaged development will be guided by the following key principles:

- Building heights step down at the edges of the site
- Medium-rise buildings will be located around the square in effect being a natural extension of Arnside Road
- Efficient use of land within Southmead delivering new homes and jobs
- Efficient building design – well orientated, well insulated, resilient and adaptable
- A district heating system, to provide low carbon and low cost energy
- Innovative pricing structure with smart meters to reduce energy and water consumption

NEW HOMES

The housing proposals within the planning applications include 200-300 new homes including:

- Housing types focused mainly on mansion blocks, townhouses and maisonettes for new and existing residents with a particular focus on smaller units for senior living and the young how wish to downsize or move out of the family home.
- New homes in quality neighbourhoods where different tenures blend seamlessly together and relate to the existing surrounding communities

CONNECTIONS

This highly sustainable vision aims to promote walking, cycling and the use of public transport, and to minimise the impact of traffic on the site and surrounding area whilst still ensuring car accessibility.

A Transport Assessment will be worked up which will demonstrate that the proposals can be accommodated on the highway and public transport network subject to the following transport strategy:

- Resident and shopper car parking spaces in secure parking and or on-street
- A relatively high percentage of car parking spaces to include electric charging points
- A car club comprising electric and hybrid cars
- Investigating the option of pedestrianising Arnside road
- A financial contribution to further improve bus services and bus stops in the area
 - Cycle parking spaces
 - New pedestrian and cycle routes through the site and improvements to existing routes in the surrounding area
 - New crossings for pedestrians and cyclists

SUSTAINABILITY AND ENVIRONMENT

Sustainability is embedded throughout the design and explicit in all supporting strategies. The centre will evolve as a low carbon, urban but green place in which to live, work and visit. The overarching aim is to enable sustainable healthy lifestyles and to achieve a very low carbon development, and to achieve it will:

- Promote healthy and sustainable living
- Creating a compact, walkable neighbourhood where everything you need is nearby, reducing the need to travel by car
- Designing streets that encourage walking and cycling
- Enabling access to electric and hybrid car usage through car clubs and electric charging
- Building lean, energy efficient buildings designed to emit less carbon compared to current standards
- Producing low carbon energy provided by an on-site district heating system
- Promoting a local food culture

OTHER BENEFITS

The consultation presentation also set out potential benefits of new development:

Potential Benefits

Corresponding Consultation Slide

The benefits around housing supply are obvious³. Indirect benefits include an improved town centre (by virtue of the increased local demand); low cost living as people living in this locale rely less on their car (and its associated costs) and more on alternative means of transport.

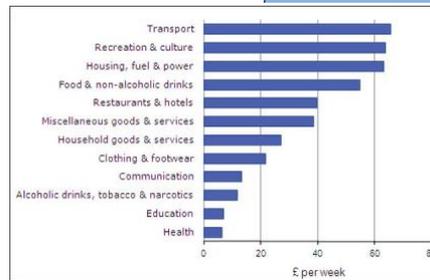
In Conclusion Very Significant Benefits

1. Improve Town Centre
2. Low cost
 - housing
 - living
 - carbon
 - Southmead seniors (and singles, couples)
 - free up family homes
3. Improve health, transport and economy
4. Provide for long term unemployed
6. Save countryside and greenbelt



Ideal for Southmead seniors, able to both enjoy the square and be within easy walking of shops and buses. More 'walkable' environments create health benefits in terms of people walking more and being less isolated. Potential to improve the local economy due to increased

Wealthier and healthier?



... benefits of walking and cycling are highly significant
Comparable to smoking 15 cigarettes a day or being an alcoholic

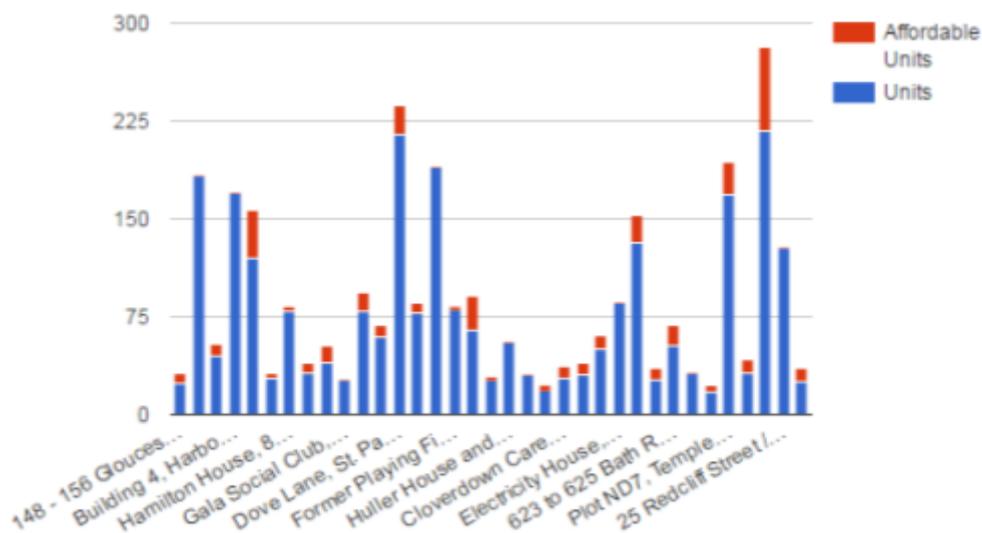
³ Meeting demand, providing accommodation for under-represented in the area; young people leaving home and stay within their community; older people to downsize whilst also remaining in their community

density and buying power within 250m walking distance of Arnside.

4. FINANCE AND DELIVERY (MAKING IT HAPPEN)

4.1 AFFORDABLE HOUSING

Given the poor level of affordable housing provision in the city over the past five years there are clearly powerful economic and political drivers at work providing significant obstacles in this respect.



Affordable Housing in Major Developments (in Bristol) – Past Five Years

However the community consultation made clear the importance of providing affordable housing prioritised for local people wherever possible. Accordingly the vision includes the ambition to deliver a much higher percentage of affordable housing with further ethical market rented accommodation.

Clearly securing this level of affordable housing will place considerable strain on the overall financing of the project.

4.2 OUTLINE APPRAISALS

Initial outline appraisals have been carried out that indicate the initial phases could be completed based on a high level of affordable housing provision and the following assumptions:

- c200 apartments on council land (a further 100 on neighbouring sites)
- Council land is made available at zero cost on a long term (125 year) lease
- Future ownership and management control shared between community, council and a housing association

- Priorities for local lettings (up to 30%)
- Indicative Mix
 - 40% market sale (assuming no starter homes – given 40% affordable homes for rent target and dependent on imminent central government policy announcement)
 - 60% rentals including a proportion of affordable and ethical⁴ market rents. The intention will be to base the type of rentals on local need with a strong focus on affordability, exact tenure types and rental levels will emerge once the scheme has been scoped in detail. Potentially this will include Southmead Development Trust as stakeholder in a special purpose vehicle Anticipate a private sector developer to deliver the entire scheme and drawing necessary profit from open market sale but only a delivery management fee for the remainder

4.3 BUILDING IT - PHASES

The first five phases that have the potential to deliver approximately 200 homes are all on council owned land⁵ and are supported by nearly 90% of local residents for development:

⁴ Ethical market rent sector is being led in the Bristol area by Bristol and Bath Regional Capital - BBRC are finalising a social investment model in which the first delivery of homes financed this way is likely to be Dunmail. In summary the Dunmail approach aims to pre-sell 30% of the homes to a housing association and 30% to Southmead Development Trust financed with social investment through BBRC. It is by using HA's and social investment to pre sell to in this way along with the way the land is paid for (ie delayed) that will enable this approach without capital grant. This approach requires a head lease along with management by either HA or council (or a combination). Local community groups have a share, but essential for the lenders is who is providing the income stream (ie the covenant of a HA who are guaranteeing rent for their 30% and the 30% owned by the Southmead Development Trust). Funding is available for this sort of scheme.

⁵ Part of phase 4 sites is occupied by Pentecostal Church and would be subject to their agreement to relocation to a new facility within the new development. Similarly site 5 requires relocation of the playground to the centre of the square (this was confirmed as a good idea in the consultation).



Subsequent phases are subject to other landowners and occupiers. Phases 6 and 7 are owned freehold and or leasehold by The New Brunswick United Reformed Church and the health practice (and NHS Property Services):

Building (or site)	Ownership	Current status (opinion on redevelopment ideas)	Other (eg future sharing etc)
Pentecostal Church	We understand the church have a 99 year lease of the land from Bristol City Council expiring in 2054.	Currently open to understanding more about the scheme and appreciate the scheme could go ahead with or without them. They will make a decision on whether to commit their own premises when they understand more about the options open to them.	They prefer to have a dedicated building for their own use rather than sharing.
White Hall	St Stevens Church	The church is at advanced stage of placing the property on the market for sale with an indicative asking price of £250K.	The church has generously offered to stall any sale in the short term to support the objectives of this study.
Health Centre	NHS Property Services are the freeholder with Southmead and Henbury Family Practice	The health centre are holding over on a lease of the entire premises however they are interested in securing new modern accommodation in any new scheme in the area.	

4.4 ORGANISATIONAL STRUCTURE TO BUILD AND MANAGE A BETTER LEGACY

OPTIONS AND ISSUES

We have outlined the various procurement and delivery strategies that are appropriate for the delivery of housing and/or community-facing facilities on land principally controlled by public sector organisations, namely:

1. Land sale
2. Development agreements
3. Public private partnerships
4. Social investment

We have assessed these options in relation to the following criteria:

- complexity;
- procurement framework;
- control;
- costs;
- equity release;
- scale of development;
- timing;
- risks; and
- profit sharing

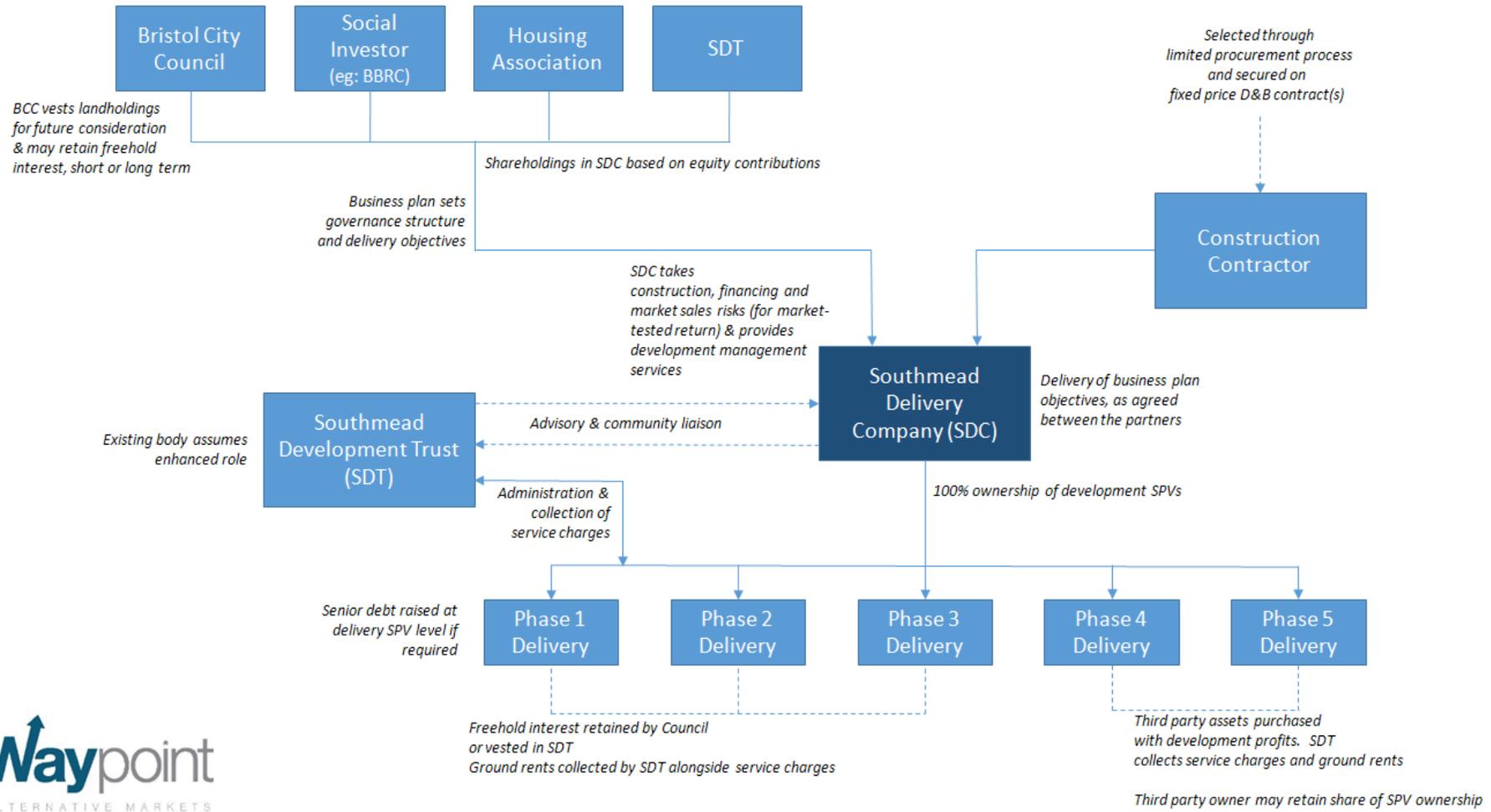
A detailed analysis of these options is appended.

Given our understanding that the council wishes to avoid outright sale of land (given loss of control) and the project although quite sizeable is not large enough for a public private partnership (the set up costs are quite considerable and this approach is more appropriate when there is great uncertainty around what is going to be built) we anticipate a development agreement complemented by social investment is likely to be the most appropriate way forward.

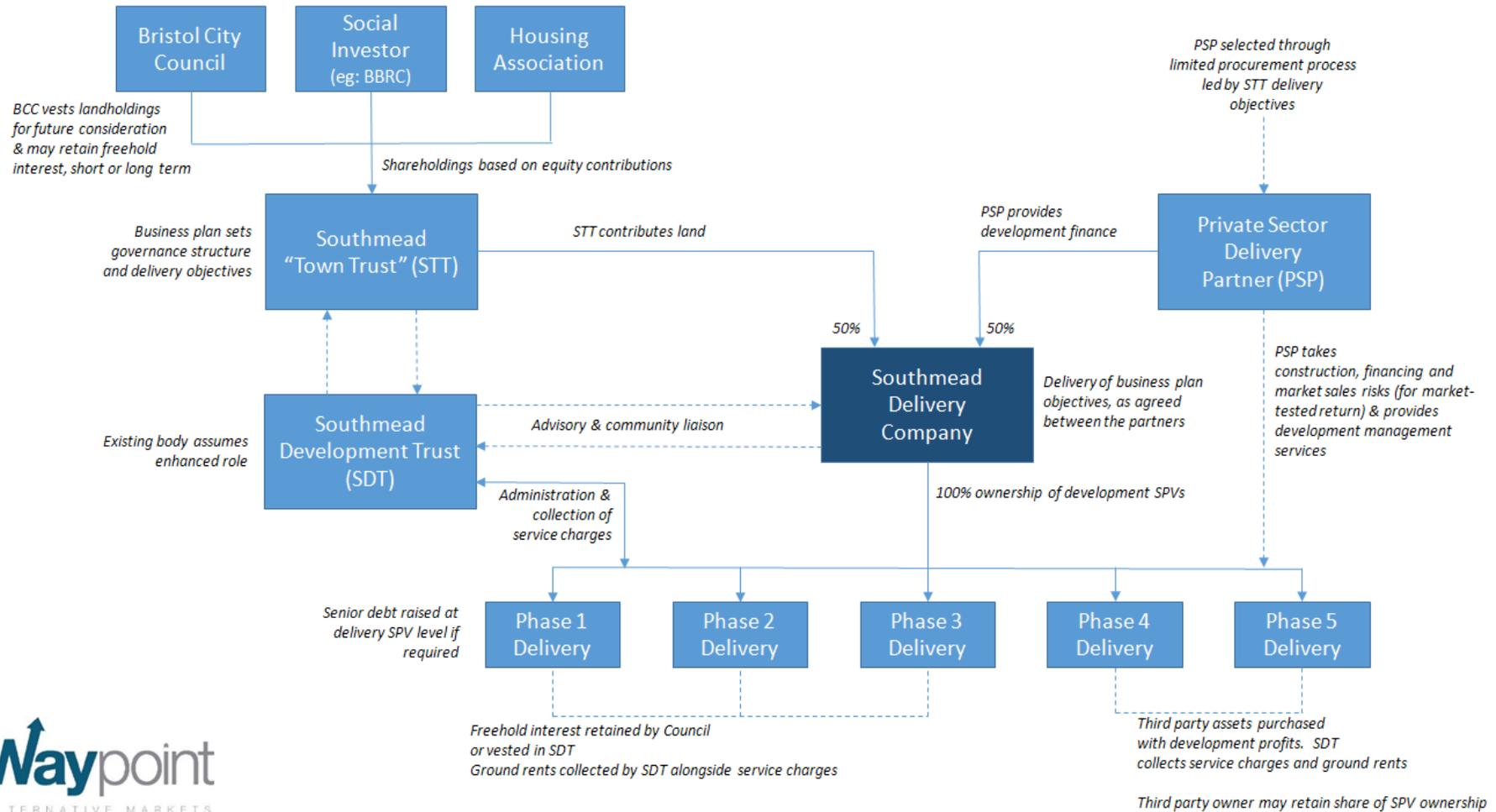
These conclusions are based upon our own analysis of the project and following some initial soft market testing with Bristol based operators including United Communities, Bristol and Bath Regional Capital, local developer Andy Robb and the Southmead Development Trust.

We outline two possible solutions below based upon the Dunmail development⁶, the key differential being the need or not for a private sector development partner.

⁶ The ethical market element of Dunmail will be part of buyout for PRS of (c50 units out of 150) in which United Communities stand behind it (to avoid RTB) and the join-up with SDT enables a different type of grant to be accessed. It was a procured ojeu that attracted only one bidder and the use of a fairly discredited BCC 'call off contract' – (a very long 'wish list'). The Dunmail SPV is BCHF (ie UC) 49% and HAB 51% (to avoid procurement on construction). They have a profit share; no SDT or BBRC in the structure.



Option 1 - Preferred Delivery Structure: Community as Developer



Option 2 - Alternative Delivery Structure: Private Sector Partner as Developer

Option 1 in which the community assumes the role of developer is preferred as clearly it presents the opportunity to retain more profit for reinvestment in Southmead and ensure the priorities discussed in section 2.2 above become a reality rather than merely a wish list.

However moving away from the more traditional route of relying on a developer partner in favour of purely a construction contractor presents some challenges:

- cost and complexity of securing development finance where it isn't provided by a development partner (although some contractors will finance, however not many at the scale envisaged here)
- if there is no developer covenant to satisfy funders some other entity must act as guarantor
- the council's attitude to risks (and control)
- development will be in phases – how is a procurement managed for all of these at once
- The exact relationship with all partners will need early consideration, particularly regarding procurement.

4.5 THE BRISTOL BOND

Solutions to some of the above challenges may be addressed by the emergence of a Bristol Bond which is at development stage however is anticipated to be ready to serve the interests of this scheme.

A multi million £ Bristol Bond could be used to provide the development finance for the construction phase and enable the community to own the majority of the flats so creating an income stream for the community and providing improved local community facilities and increased local support for residents.

The Bristol Bond⁷ is a manifesto commitment of the Bristol's Labour administration and Bristol and Bath Regional Capital CIC is ready to sponsor the issuance of the bond. This would provide the possibility for BCC to transfer the land into an SPV majority owned by the Southmead Development Trust (SDT) on a 125 year lease. Development and long term financial risk would be contained within the SPV.

Thereafter planning permission on the land would then be obtained. The land would then be used as security for the 5 year bond and all money raised from the bond would be spent on consecutive

⁷ It is currently anticipated there would be two bonds, retail A bonds and high net worth individual bonds. A bonds could be restricted to BS postcodes with a low minimum investment and pay a slightly higher rate of interest than the B bonds. BBRC would need to partner with an institution with an existing channel to market, registered by the FCA to issue such bonds to the general public. For example, Triodos bank issues such bonds and has already used the tax and risk structure outlined above with the Bristol Together bond issue. The bond would be fully repaid at the end of the 5 years of development from sales revenue and the long term refinancing secured on the rented flats.

phases of the development with bond capital being recycled as each phase was let out and refinanced.

The long term vision is that the community owned SPV would retain ownership of the majority of the buildings and rent them out, many at affordable rents, in order to create an income stream for the community. Other activities such as a community buildings and shops would also be provided.

5. NEXT STEPS

It has been beyond the scope of this short study to provide detailed finance and delivery structures. Accordingly in our view the next immediate steps are to under undertake:

- 1. comprehensive financial modelling exercise**
- 2. strategic options (structures) exercise**

We anticipate that these two parallel exercises will enable the project and indeed the entire development to move forward along the following lines:

1. Bristol City Council formally engages with the existing stakeholders and establishes the criteria on which it is willing to transfer land to the community vehicle, against a pre-agreed business plan.
2. Local stakeholders agree an outline business plan setting out the relationship between the parties and the community's objectives for development. This will be supported by development appraisals and planning opinion, preferably having engaged with the planning authority⁸.
3. SDT confirms the role it wishes to play in the delivery phases and most importantly plan for assuming legacy responsibility for the completed development – acting as “landlord” and estate manager for the completed new community.
4. The partnership, influenced by the council decides what procurement methodology it wishes to use in selecting a development and/or construction partner.
5. A community vehicle is formed or a development partner is selected (through competition), to design and deliver new development that meets the objectives described by STT in its initial business plan (and takes all risks of development, financing and market sales and lettings).
6. Each phase is delivered, within a coordinated overall strategy but is separately financed (with bank debt where required). Third party assets may be purchased with development profits or SDC may enter into arrangements with third party landowners to deliver facilities that enhance the wider community⁹. Alternatively, third party landowners may seek to take advantage of area uplift and deliver their own development; this would be controlled through the planning process.
7. SDT assumes management responsibility as phases of development are completed, collecting ground rents and service charges to cover the cost of service provision, including the management of public realm and community stewardship.

⁸ Planning issues are assumed to cover transport, environmental, health etc impacts also

⁹ Including relocating the Southmead health centre, exploring a dementia friendly development and a permanent police presence in the immediate area (potentially as part of SCA redevelopment).

APPENDICES

CONSULTATION FLYER



Southmead Town Centre Vision
 Could we improve what we have to make a larger more vibrant centre? **What do you think?**

Southmead Development Trust, Southmead Community Association, BID Parks & Planning Group and local councillors are working together to find ways to improve Southmead's main shopping area on Avenue Road, Grosvenor Avenue and Elmwood Square.

We welcome your views on the following questions. We will be holding a public meeting to discuss your views on the 10th April 2014 at 7.00pm at the Southmead Community Association, 100 Grosvenor Avenue, Southmead, Bristol. We will also be holding a public meeting on the 10th April 2014 at 7.00pm at the Southmead Community Association, 100 Grosvenor Avenue, Southmead, Bristol.

What do you think we should do to improve the town centre?

- parking
- safety
- shopping
- walking and cycling
- street lighting
- security
- housing and tenancy
- businesses and shops
- public spaces and play
- public art and murals
- public transport
- public buildings
- public services
- other

www.southmead.org/towncentre



Southmead Town Centre Working Group



Southmead Vision is the product of a small number of meetings. We welcome your views on the following questions. We will be holding a public meeting to discuss your views on the 10th April 2014 at 7.00pm at the Southmead Community Association, 100 Grosvenor Avenue, Southmead, Bristol. We will also be holding a public meeting on the 10th April 2014 at 7.00pm at the Southmead Community Association, 100 Grosvenor Avenue, Southmead, Bristol.

Are you free to attend one of the following 4 hour meetings?

Date	Time	Venue
10th April	7.00pm	Southmead Community Association, Grosvenor Avenue
10th April	7.00pm	Southmead Community Association, Grosvenor Avenue
10th April	7.00pm	Southmead Community Association, Grosvenor Avenue
10th April	7.00pm	Southmead Community Association, Grosvenor Avenue

No need to book – please just turn up. Refreshments (and cake!) provided.

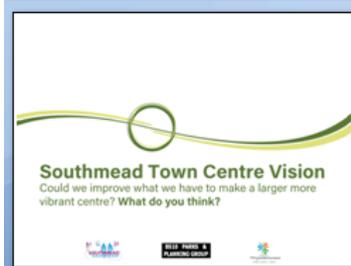
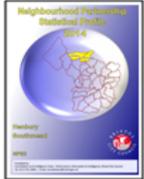
If you have any questions in the meantime please do contact us:

- WALK GREEN**
walk@green.org.uk
 0117 966 2112
- BID PARKS & PLANNING GROUP**
bid@parksandplanning.co.uk
 0117 966 2112
- SOUTHMEAD COMMUNITY ASSOCIATION**
info@southmeadca.co.uk
 0117 966 2112

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CONSULTATION PRESENTATION

Please see separate document.

 <p>Southmead Town Centre Vision Could we improve what we have to make a larger more vibrant centre? What do you think?</p>	<p>Agenda</p> <ol style="list-style-type: none"> 1. What have we got now? <ol style="list-style-type: none"> 1. Neighbourhood profile 2. Initial research 2. What do we want? <ol style="list-style-type: none"> 1. Community plan 2. Town centre research 3. Consultation 1 3. How do we get it? <ol style="list-style-type: none"> 1. Town Centre redevelopment – ideas and examples 2. Southmead analysis and opportunities 3. Working Group - recommendations 4. Consultation 2 	<p>Neighbourhood Profile 2014</p> <ul style="list-style-type: none"> • Higher than city average <ul style="list-style-type: none"> – children – older people – travel by car – overweight or obese – resident fear of crime – deprivation • Low levels <ul style="list-style-type: none"> – community cohesion – life expectancy 
<p>Town Centre Research Businesses</p> <ul style="list-style-type: none"> • Businesses performing ok • Most customers are locals • Most walk • Pros – community spirit • Cons – anti social behaviour 	<p>Town Centre Research Shoppers - What works well?</p> <ul style="list-style-type: none"> • Friendly / it's the community hub • Variety of shops • Aldi • Post office • Low prices • Parking 	<p>Agenda</p> <ol style="list-style-type: none"> 1. What have we got now? <ol style="list-style-type: none"> 1. Neighbourhood profile 2. Initial research 2. What do we want? <ol style="list-style-type: none"> 1. Community plan 2. Town centre research 3. Consultation 1 3. How do we get it? <ol style="list-style-type: none"> 1. Town Centre redevelopment – ideas and examples 2. Southmead analysis and opportunities 3. Working Group - recommendations 4. Consultation 2

DELIVERY OPTIONS ANALYSIS

Appendix – Options Analysis

Land Sale

General	Disposal is the least complex form of procurement but is accompanied by significant loss of control, except where it can be retained through the planning process. If the council wishes to achieve certain development and maximise the capital receipt through this option it will need to work up an appropriate planning consent prior to embarking on a disposal process.
Complexity	The disposal process is the least complex (and if there are willing purchasers, the least time consuming), any complexity would only relate to the nature of the asset.
Procurement framework	A land sale follows its own best value process; as demonstrated through running an open market sale.
Control	The council relinquishes control, other than through its role as planning authority on completion of a sale of the asset. Most importantly for social type developments, it will lose control of the delivery timetable.
Costs	The council's costs are likely to be restricted to the fees of any external sales agent and legal fees. The time and cost of preparing and achieving an acceptable planning consent will also be to the council's account.
Equity release	The value of the asset, as achieved through the disposal process, will generally be released to the council on completion of the sale. As the purchaser will be assuming the risks and reward from development the return to the council will be the lowest (provided that development is successful through the other options) but the most secure and will be received most quickly.
Scale of development	As this option is relatively simple with low entry costs it is particularly appropriate for small assets or development opportunities and remains appropriate for large developments where the council does not seek to retain a long term influence over delivery.
Timing	The programme from starting a planning process (if required) to completion of a sale is likely to be the shortest of the options considered.
Risks	<p>Council risks within the disposal period relate to the availability of a willing purchaser or purchasers and therefore the ability to generate an acceptable capital receipt within a defined timeframe.</p> <p>Post sale, the council is exposed to the risks of not seeing the site developed to an envisaged timeframe or changes to the planning consent that it could only control through the planning process. These factors do not, however, generally lead to direct financial risks and it is insulated from reputation risks by its arms-length involvement post sale.</p>
Profit sharing	The council is unlikely to be able to participate in development profits achieved through successful development. There is the possibility of agreeing overage arrangements as part of the disposal process but these are generally difficult to measure and enforce.

Development Agreement

General	Development agreements are appropriate where the council wishes to retain an element of control over the nature and timing of development but will not generally allow the council to participate in development profits where they exceed land value. Although generally employed for more complex assets, the procurement process remains relatively straight forward.
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	Development agreements are often structured as a conditional land sale where the selected development partner must meet certain conditions prior to being granted title – these might be pre-development criteria or refer to the completion of development as envisaged by the council.
Complexity	The selection of a development partner will be based on the council’s own development objectives and will generally be based on meeting acceptable and pre-secured planning outcomes. A development agreement will be required to set out the framework, any special conditions and timing.
Procurement framework	A development agreement will generally be let through an OJEU process, this might be avoidable if there is a special interest partner (who owns an adjacent and key parcel of land, for example). Using conditions precedent to protect the council’s position is an alternative framework (but ultimately affords less control and flexibility) which can have the effect of commuting the disposal process to a simpler land sale.
Control	The council can exercise a greater amount of control through the development agreement but it is relatively inflexible once the agreement has been entered into. Controls are largely “negative” in that if the development partner does not deliver to programme the agreement could be voidable but care needs to be exercised here as taking back control of un-delivered development may come with costs and risks – especially where development has not been achieved as a result of economic factors including demand.
Costs	The council will bear its own costs in establishing the framework for the development agreement and scoping its objectives. There will also be the costs of securing an initial outline planning consent to set the framework for future delivery.
Equity release	The council will generally receive a capital receipt representing land value, potentially with some form of overage payment, these payments may be delayed until development is completed, depending on the nature and risks of the agreed scheme. In many cases a developer will make land payments once detailed planning consent has been achieved in line with the development agreement.
Scale of development	This option is generally appropriate for larger scale development or smaller opportunities where the council simply seeks to see development (of a certain nature) within a given timeframe.
Timing	Using an OJEU procurement process adds cost and time to the procurement process. There may be the possibility to follow a truncated procurement process (similar to land sale marketing and negotiations), especially if there is a special purchaser. The form of agreement will be more complex than a land sale as it needs to deal with the council’s expectations and protections in the event of non-performance.
Risks	The council is exposed to non-performance or failure of delivery risks as it might need to step-in if development is not completed as envisaged within the development agreement. Financial risks may therefore attach to this.
Profit sharing	If development is completed as envisaged within the development agreement the council would generally receive land value only; except where facilities are provided for it as well as or as an alternative to a capital receipt. In some instances overage may be payable, either against sales revenue or increases in developable area achieved through planning.

Public Private Partnership

General	This form of procurement may follow the local asset backed vehicle (LABV) structure through which regional development authorities (RDAs) and some local authorities have achieved wide
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	<p>area regeneration and the provision and/or management of investment and development portfolios.</p> <p>Essentially, the council enters into a 50:50 joint venture created as the result of a procurement process that provides detailed business plans and the mechanism to consensually vary them through a corporate structure.</p>
Complexity	<p>It is acknowledged that the process and structure are complex and this option is therefore only suitable for large scale and long term opportunities.</p> <p>Simpler derivatives of this model may be implemented for smaller and less complex schemes but it can be difficult for the council to continue to exert influence over any partnership if it is not properly procured.</p>
Procurement framework	<p>To retain the maximum control and future flexibility a joint venture of this nature will generally be let as a services contract and is therefore subject to OJEU competition rules and under current rules the Competitive Dialogue process should be used.</p> <p>Although this is often criticised for being time consuming, complex and expensive it is able to generate the flexible outcomes that are appropriate for long term and complex development projects.</p>
Control	<p>The council retains the ability to exercise control over the direction of development through the partnership's decision making arrangements and its 50% shareholding in the structure.</p>
Costs	<p>Partnerships are time consuming and costly to put in place and the council will be responsible for its own legal, procurement and other professional costs as well as making arrangements for the involvement of senior officers. It is, however, usual for the council to receive a payment on establishing the partnership to cover its costs if required; this payment forms part of the council's capital receipt from its stake in the partnership.</p>
Equity release	<p>The council will often receive a capital receipt on commencement of the joint venture as its selected partner purchases a share in the newly created joint venture and the assets vested in it. Full value will, however, come from the sale of completed development and equity is therefore released on the sale of completed phases of development and so is optimised but generally delayed.</p>
Scale of development	<p>This approach is particularly suited to delivering large scale and often complex development goals over an extended period (up to twenty years).</p>
Timing	<p>The council will usually be involved in a period of business planning and decision making (including generating appropriate planning consents or an overriding planning framework), it is generally expected that a 12-18 month period should be allowed for this, from a standing start, prior to the launch of a formal procurement process that will take 6-12 months. If the objectives of the partnership are clear and development is not complex, these periods may be reduced.</p>
Risks	<p>The council bears the risks associated with developing the partnership project pre-procurement and the risks associated with the procurement not being successful or failing to facilitate all of the council's objectives.</p> <p>Post-procurement (ie; during the life of the development vehicle), the council bears risks in its role as a 50% shareholder in the partnership although the most significant risks of development will be passed contractually to the council's private sector partner or other third parties.</p> <p>Risks of under-performance (the slower than anticipated sale or take-up of completed housing, for example) may effectively be passed to the council (in-line with its shareholding) in reduced or delayed capital receipts.</p>
Profit sharing	<p>The council will participate in transparent profit sharing through its 50% share in the partnership.</p>

Social Investment Model

General	<p>There are a small number of new structures and some older transactions where land has been transferred to community organisations in order to deliver specific projects with high community interest rather than maximum capital receipt.</p> <p>The scale of these projects is variable as is the nature of the stakeholders and funding mechanisms. Councils may support these projects with the transfer of land or the granting of occupational leases, alongside offering a mix of grant and loan funding.</p> <p>The majority of examples we have considered are aimed at supporting the provision of community facilities and providing facilities for a mix of community groups and local SMEs.</p>
Complexity	<p>The level of complexity will be driven by the scale of anticipated development, the number of stakeholders and the availability of funding. In certain projects (certainly large scale projects) state aid criteria may need to be considered.</p>
Procurement framework	<p>Complex procurement processes can be avoided, especially where the council is seeking to support non-economic uses or aid delivery that meets wider council objectives.</p>
Control	<p>Control is generally passed to the community body, within a framework of deliverables and governance agreed with and supported by the Council.</p>
Costs	<p>The council will need to meet the costs of protecting its position and documenting the deliverables from a project. It may also meet some project costs through loans and grant aid.</p>
Equity release	<p>The council will need to decide whether it needs a capital receipt in addition to the delivery of social objectives and what level of subsidy it is prepared to offer to facilitate the delivery of those objectives.</p>
Scale of development	<p>Small scale projects can be delivered provided that they are not overly complex. Large and complex projects may not be initially suitable where there is a large mix of stakeholders that wish to participate in decision making.</p>
Timing	<p>Small projects can be implemented quickly if there are competent partners and simple financial and structural arrangements. Larger projects are likely to require detailed feasibility, planning, financial and governance arrangements and therefore may be more complex to structure.</p>
Risks	<p>The council will be exposed to financial and reputation risks in the event of failure of businesses or initiatives and these should be assessed during the feasibility stage.</p>
Profit sharing	<p>Generally the council will not be looking to receive capital profits but will gain in other ways, including seeing its socio-economic objectives delivered and expanding the local economy. This might well give rise to associated income streams including increased revenue from Council Tax and business rates.</p>

Community Team

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