



Committee Manager : Carrie O'Connor (Ext: 37614)

16 February 2017

BOGNOR REGIS REGENERATION SUBCOMMITTEE

A meeting of the Bognor Regis Regeneration Subcommittee will be held in **The Council Chamber, Bognor Regis Town Hall, Clarence Road, Bognor Regis, PO21 1LD on Monday 27 February 2017 at 6.00 p.m.** and you are requested to attend.

Members: Councillors Hitchins (Chairman), Mrs Madeley (Vice-Chairman), Ambler, Bence, Bower, Mrs Brown, Mrs Maconachie, Maconachie and Wells.

A G E N D A

1. APOLOGIES FOR ABSENCE

2. DECLARATIONS OF INTEREST

Members and Officers are reminded to make any declarations of personal and/or prejudicial/pecuniary interests that they may have in relation to items on this Agenda.

You should declare your interest by stating :

- a) the item you have the interest in
- b) whether it is a personal interest and the nature of the interest
- c) whether it is also a prejudicial/pecuniary interest
- d) if it is a prejudicial/pecuniary interest, whether you will be exercising your right to speak under Question Time

You then need to re-declare your prejudicial/pecuniary interest at the commencement of the item or when the interest becomes apparent.

3 MINUTES

To approve as a correct record the Minutes of the meeting held on 12 September 2016 (attached)

4 ITEMS NOT ON THE AGENDA WHICH THE CHAIRMAN OF THE MEETING IS OF THE OPINION SHOULD BE CONSIDERED AS A MATTER OF URGENCY BY REASON OF SPECIAL CIRCUMSTANCES

5 THE REGIS CENTRE AND HOTHAMTON CAR PARKS FEASIBILITY STUDIES UPDATE

This is an update report on the feasibility studies recently prepared considering development options on the Regis Centre and Hothamton Car Park sites. The report summarises the conclusions of the 2017 Regis Centre & Hothamton Masterplans Market, Viability & Delivery Report and presents Masterplan Options for both sites.

6 BUSINESS SUPPORT AND ENTERPRISE IN ARUN

This report is to bring Members up to date with the range of activities taking place to support businesses and enterprise across the district.

7 BOGNOR REGIS REGENERATION POSITION STATEMENT

To receive and note the Bognor Regis Regeneration Position statement.

(Note: *Indicates report is attached for all Members of the Subcommittee only and the press (excluding exempt items). Copies of reports can be obtained on request from the Committee Manager or from the Council's web site at www.arun.gov .

Note: Members are also reminded that if they have any detailed questions, would they please inform the Chairman and/or relevant Lead Officer in advance of the meeting).

Subject to approval at the next Subcommittee meeting

BOGNOR REGIS REGENERATION SUBCOMMITTEE

12 September 2016 at 6.00 pm

Present: - Councillors Hitchins (Chairman), Mrs Madeley (Vice-Chairman), Bence, Bower, Mrs Brown, Mrs Maconachie and D Maconachie.

8. APOLOGIES FOR ABSENCE

Apologies for absence had been received from Councillors Ambler and Wells.

9. DECLARATIONS OF INTEREST

The Monitoring Officer has advised Members of interim arrangements to follow when making declarations of interest. They have been advised that for the reasons explained below, they should make their declarations on the same basis as the former Code of Conduct using the descriptions of Personal and Prejudicial Interests.

Reasons

- The Council has adopted the government's example for a new local code of conduct, but new policies and procedures relating to the new local code are yet to be considered and adopted.
- Members have not yet been trained on the provisions of the new local code of conduct.
- The definition of Pecuniary Interests is narrower than the definition of Prejudicial Interests, so by declaring a matter as a Prejudicial Interest, that will cover the requirement to declare a Pecuniary Interest in the same matter.

Where a Member declares a "Prejudicial Interest" this will, in the interests of clarity for the public, be recorded in the Minutes as a Prejudicial and Pecuniary Interest.

There were no declarations of interest made.

10. MINUTES

The Minutes of the meeting held on 8 June 2016 were approved by the Subcommittee as a correct record and signed by the Chairman.

Subject to approval at the next Subcommittee meeting

11. PLATFORM – A NEW CREATIVE DIGITAL HUB AT BOGNOR REGIS RAILWAY STATION

The Chairman was pleased to welcome to the meeting Mrs Carolyn Carr and Mrs Anne De Sausmarez from the Economic Growth Team at West Sussex County Council (WSSCC) who were in attendance to give a presentation on the creation of a creative digital hub at Bognor Regis railway station.

Mrs Carr outlined the context and role of the County Council in the development of this project and how an economic review had highlighted the economic challenges for the area. A commitment had been made to help address those challenges through sector based projects and interventions with opportunities for economic growth, and particularly the creative digital sector with a focus on the coast and initially Bognor Regis.

This project fitted in well with the recently approved University of Chichester's Engineering & Digital Technology Park and the new creative technology focus, with the potential to support and grow the community of creative digital businesses (around 7% of all businesses in Bognor Regis). It was also pleasing that Network Rail was supportive and negotiations were underway for the hub to be sited within unused space at the railway station, which would be part of the investment in the station refurbishment to be undertaken by Network Rail.

Members heard that the hub would provide:-

- ✓ Hot desking and collaborative workspace
- ✓ Support for business at all stages of the business lifecycle, with some targeted incubation support for start-ups
- ✓ Networking and collaboration activities
- ✓ Skills development and training events
- ✓ Shared activities and facilities with the University of Chichester Engineering & Digital Technology Park
- ✓ Engagement with local schools, colleges and community groups

Following questions from Members which were responded to at the meeting, the Chairman paid tribute to the enthusiasm and innovation of all the people involved in this exciting scheme. He thanked Mrs Carr and Mrs De Sausmarez for their interesting presentation.

12. POTENTIAL BOGNOR REGIS TOWN CENTRE BUSINESS IMPROVEMENT DISTRICT (BID)

The Chairman welcomed Mr Toyubur Rahman, Bognor Regis Town Centre Manager, to the meeting as he was in attendance to inform Members of the detail of process for Bognor Regis Town Centre Business Improvement District (BID).

Subject to approval at the next Subcommittee meeting

Mr Rahman introduced the item by first explaining what a BID was, namely that it was “an arrangement whereby businesses get together, decide what additional improvements they want to make, how they are going to manage and deliver those improvements and what it will cost them. This all goes into a business plan which is then voted on by all those who would have to pay. The BID can last for a maximum of 5 years and must be able to demonstrate how it has benefited businesses which have funded it.” He then went on to highlight the advantages of the Bognor Regis BID as providing:

- A strong town centre business voice
- 5 years of funding security
- Time to plan properly
- More control by the levy paying members
- Every business contributes
- Chance to think big and do things differently chance to access more funding opportunities

He was pleased to advise that the funding for the development of the BID was being done in partnership with the District Council, Bognor Regis Chamber of Commerce, Bognor Regis Traders Association, the Town Council, Butlins and the University of Chichester.

The Town Centre Manager also provided the detail of legislation, role of the local authority, possible levy charges, potential BID area breakdown, the next steps in the process and the key dates leading up to a ballot in April/June 2017 and, if that ballot was successful, the launch of the BID in June/September 2017.

Following a question and answer session, the Chairman thanked Mr Rahman for a very interesting and informative presentation.

13. WEST SUSSEX COUNTY COUNCIL WORKING IN PARTNERSHIP TO REGENERATE BOGNOR REGIS

The Chairman welcomed to the meeting Mr Greg Ockwell from West Sussex County Council's Growth Team who was in attendance to advise Members of the work that was being undertaken to support the Bognor Regis Growth Programme.

Mr Ockwell was able to inform the Subcommittee that growth opportunities for the town encompassed

- Town Centre and seafront Regeneration potentially providing up to 200 homes and student accommodation; 4,000 sqm of employment space and between 100 and 400 jobs
- Enterprise Bognor Regis providing 108,500 sqm of employment space potentially providing 4,133 jobs.
- Public Realm improvement in the Town Centre
- Links to the University of Chichester growth and Bognor Bold Idea.

Subject to approval at the next Subcommittee meeting

He confirmed that WSCC resource and funds would only be allocated where there was a clear understanding of how investment would support the delivery of growth outcomes. In Bognor Regis, WSCC investment could support wider investment to maintain a growth programme primarily relating to the delivery of the opportunities identified in developing Bognor Regis Investment Prospectus to achieve town regeneration. Work would be undertaken with Arun District Council officers to identify a clear delivery plan that would secure growth outcomes across Bognor around December 2016; strategic planning to be undertaken to prioritise support for progression of Arun's Local Plan; and a potential revenue contribution of £30k from the Strategic Economic Plan's reserve to support development of Bognor Regis Investment Prospectus.

The Chairman welcomed the close working that was taking place between the District and the County Council and further comment was made that a lot of work had gone into the Arun Place Plan so it was pleasing to see that both Councils were moving in the same direction and that a new, positive relationship was being developed.

The Chairman thanked Mr Ockwell for a very interesting and informative presentation.

14. BOGNOR REGIS REGENERATION POSITION STATEMENT

The Subcommittee received and noted the Bognor Regis Regeneration Position Statement.

(The meeting concluded at 7.30 p.m.)

AGENDA ITEM NO 5**ARUN DISTRICT COUNCIL****BOGNOR REGIS REGENERATION SUB COMMITTEE
27 FEBRUARY 2017****PART A : REPORT****SUBJECT:****THE REGIS CENTRE AND HOTHAMTON CAR PARKS FEASIBILITY STUDIES
UPDATE****REPORT AUTHOR:** Denise Vine **DATE:** 15 February 2017 **EXTN:** 37846**EXECUTIVE SUMMARY:**

This is an update report on the feasibility studies recently prepared considering development options on the Regis Centre and Hothamton Car Park sites. The report summarises the conclusions of the 2017 Regis Centre & Hothamton Masterplans Market, Viability & Delivery Report and presents Masterplan Options for both sites.

RECOMMENDATIONS:

It is recommended to Full Council that:

- 1) The Gardens by the Sea / Winter Gardens concept as described in the 2017 Bognor Regis Masterplan Options Report and the conclusions described in the 2017 Regis Centre & Hothamton Masterplans Market, Viability & Delivery Report, be supported.
- 2) Option 2 for the Regis Centre site (New Theatre Option) is the preferred Masterplan option. Officers may progress this proposal to develop a more thorough understanding of the opportunities and risks of implementing such a proposal, the appropriate scale and phasing, and the potential funding packages and delivery vehicle approaches that might support it. Option 1 (Refurbishment of Theatre) will remain as an alternative option should the scale of the funding package for Option 2 be unachievable.
- 3) Option 1 for the Hothamton Car Park site is the preferred Masterplan option and officers progress this proposal, taking into consideration the potential funding and delivery vehicle approaches that might support it, ready to market the site.
- 4) The Council supports the principle of including the area of the Esplanade between Clarence Road and Place St Maur within any new public realm scheme for the wider regeneration of the site.
- 5) The Council supports the Bognor Regis Place Branding initiative developed in

partnership with other agencies.

- 6) Authority be given to the Director of Place to begin discussions, early in the project development process, with specialist advisors and key external partners of the proposed theatre, cultural hub and Winter Gardens, and in consultation with the Head of Corporate Support Group, to ensure the operational business plan and governance arrangements (legal structure) are fully considered and will influence the functionality and scope of the new building(s) and potential funding opportunities.
- 7) Authority be given to the Director of Place to enter into discussions with the NHS Trust / Community Health Partnerships to include the Health Centre site within the Hothampton car park site development area, subject to a satisfactory agreement being found.
- 8) Authority be given to the Director of Place to engage with the Bognor Regis Town Council regarding the future use of the Bognor Regis Town Hall and investigate options to include this building within the development site.
- 9) Authority be given to the Director of Place to enter into discussion with West Sussex County Council, as the highway authority, to consider any highway implications and costs associated with the above and to prepare concept plans for any proposed works.
- 10) In furtherance to the supplementary estimate agreed and resolution made at the Council meeting on 20 July 2016 (Minute 145), the Director of Place is authorised, in consultation with the Leader of the Council, and subject to the Council's Procurement Standing Orders, to draw down and authorise expenditure, for the commissioning of any of the necessary reports and professional advice required to progress the implementation of the 2017 Masterplan options.

1.0 BACKGROUND

- 1.1 At the 20 July 2016 Full Council meeting Members approved a supplementary estimate of up to £260,000 to cover the collective costs of commissioning detailed Feasibility Studies for the redevelopment of the Regis Centre and Hothampton Car Park sites.
- 1.2 The purpose of these studies was to investigate the feasibility (including financial) and proof of concept of the proposed elements to regenerate these sites. The proposed development packages and uses for the sites were set-out in detail and agreed in the 11 November 2015 Full Council report.
- 1.3 The new development proposals were also required to reflect the 2003 Bognor Regis Masterplan guiding principles:
 - Creating a series of integrated character areas themed around particular activities.
 - Strengthening the physical and visual links between the promenade and

town centre.

- Encouraging a better shopping experience.
- Improving the perceived quality of the townscape and public realm through improvements to key building facades, streets and spaces.
- Creating a better balance between vehicles, pedestrians and cyclists.
- Providing a quality visitor experience to encourage more visitor activity and secure more investment for the tourism product.
- Creating a sense of arrival at the town.

2.0 INTRODUCTION

2.1 In October 2016 consultants were appointed to prepare detailed feasibility studies for the redevelopment of the Regis Centre and Hothampton Car Park sites. They were instructed to consider the development options for each site that would provide the key elements the Council desired to see included in the development (as set out in the report to Full Council on 11 November 2015), the financial viability of each proposal and the delivery options available to the Council for achieving development.

2.2 These studies have now been completed and the purpose of this report is to provide a summary of the key findings and update Members on the study's conclusions. This report also sets out the proposed next steps to take the projects forward. It should be read in conjunction with the 2017 Bognor Regis Masterplan Options Report at Appendix A - circulated separately to the agenda. Members of the Sub-Committee have also been provided with the full 2017 Regis Centre & Hothampton Masterplans Market, Viability & Delivery Report. The information in this report is of a confidential or exempt nature and is not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended.

3.0 FEASIBILITY STUDY REQUIREMENTS

3.1 Consultants, Urban Delivery, were commissioned, after a competitive tendering process, to prepare the Feasibility Studies for both sites. They were required to consider both sites as individual development opportunities. A range of key activities were required to be completed as part of this commission for each site.

3.2 The Regis Centre site was to be split into two development tranches and included a number of development packages. The study was required to provide;

- Design and Masterplanning Options
 - To test the capacity of the site to provide a commercially viable and deliverable scheme.
 - Produce an indicative scheme design and layout.
 - Include indicative valuations of the site, for each option, reflecting the Freehold and Leasehold interests
- Visitor Attraction Proof of Concept (popularity and appeal)
 - To test options for the type of visitor attraction and recommend a preferred option.

- Ensure the visitor attraction is appropriately included in the scheme design.
- Suggest a delivery model for the preferred option.
- Outline capital cost for the delivery of the visitor attraction.
- Provide an indicative operational business plan for the attraction
- Engagement with stakeholders and those with land property interest
 - Hold meetings with interested groups and consider these views within the proposals
- Theatre Option Review
 - Expanding upon the previous ARUP study, provide a business case for the economic and operational (long term) sustainability of a replacement theatre within the development, including a review of suggested operating models and any revenue implications in taking this forward.
- Viability analysis
 - A detailed viability assessment for the scheme to test the proposed ideas. In particular considering if all the desired outcomes i.e. if the theatre, visitor attraction, replacement car parking and public realm can be funded through surpluses made on the residential elements.
 - Testing the various options, provide an indicative land/site value to the Council.
- Delivery options review
 - Further research into the most appropriate scheme and delivery route the Council should take to progress delivery of the project and a project plan. For example planning brief versus planning permission approach.
 - A more detailed appraisal of the cost and risks of each delivery route.
 - A clearer estimate of the Council's own costs and resources needed for each approach to deliver the scheme.

3.3 The Hothamton Car Park site study was required to provide:

- Viability appraisal of the proposed development including replacement car parking
- Demand assessment for new student accommodation locally.
- Appraisal of the mix of development and potential demand for different uses
- Benefits versus complications of including the site of the current Health Centre within the redevelopment
- Appraisal of future options available to the Council regarding the ownership of their land
- Consideration of the potential delivery routes available to the Council and the cost to the Council of implementing each of these delivery routes.
- A formal review of the procurement options available to the Council including potential 'Frameworks' for both the professional services and any construction it may deliver itself.
- Developing designs to RIBA Stage 1-2.
- An assessment of the costs to take the project through planning, pre-construction and construction phases.

4. FEASIBILITY STUDY OPTIONS AND PROPOSALS

4.1 The study has considered two options each for the Regis Centre and Hothamton sites, these are:

- The Regis Centre Option 1 – refurbished theatre option
- The Regis Centre Option 2 – new theatre option
- Hothamton Option 1 – new linear park option
- Hothamton Option 2– perimeter development option

4.2 The options are described in detail in the 2017 Bognor Regis Masterplan Options Report in Appendix A circulated separately to the agenda.

Regis centre site and car park

4.3 Two development options have been considered for this site.

4.4 Option 1 involves the refurbishment of the existing theatre, a smaller 'Winter Gardens', additional new facilities, new hotel with relocated bar/restaurant, residential block with A3, restaurants and cafés, on the ground floor. There would also be refurbished gardens along the Esplanade and changes to the roadway. The surface car parking would be retained and could host events / markets. It would have a new public art feature such as a spire location marker.

4.5 Option 2 would provide larger Winter Gardens with a new larger theatre (425 – 450 seats), decked car park, new hotel with relocated bar/restaurant, residential block with A3, restaurants and cafés, on the ground floor. It proposes refurbished gardens along the Esplanade, roof gardens / performance space, changes to the roadway and improved access to the beach. It also proposes that the site has a new public art feature such as a tall spire to act as a location marker.

Hothamton car park site

4.6 Option 1 (New Linear Park) proposes the establishment of a significant piece of new public realm incorporating replacement parking spaces, some retail and other outdoor uses. There would be residential on the western side of the site and some retail on the ground floor.

4.7 Option 2 (Perimeter development) would provide new development around the perimeter of the site and decked parking. A3 catering / A1 retail uses could be accommodated at ground floor and residential on the upper floors. The existing children's play area and Sunken Gardens Park would be refurbished.

5.0 THEATRE

5.1 A review has been done of the Alexandra Theatre which considers its suitability as a venue and its financial viability. Research completed by ARUP in 2012 was used as the base data and developments since that study was completed are reflected in

the report.

- 5.2 The Theatre has implemented many of the recommendations suggested in the Arup 2012 report such as the need for dedicated resources to better market the theatre, a new and more useful box office system and to increase regular hires of the studio and gallery space to community groups. The theatre management has also continued to develop its good working relationship with the University of Chichester and is developing a relationship with Chichester Festival Theatre to increase the provision of family events.
- 5.3 As a consequence of these and other changes the Theatre has successfully progressed and there is tangible evidence of this with both growing ticket sales and audience capacity increasing significantly year on year. Customer satisfaction levels are high but the main complaint from visitors is the poor condition of the building and lack of facilities.
- 5.4 The Theatre is clearly a great asset to the town and is well placed to adapt to future opportunities and uses if a suitable financial and governance model can be applied.
- 5.5 Both The Regis Centre development options include the theatre within the schemes. Option 1 suggests an adaption and refurbishment of the existing building with a new but smaller Winter Gardens built around it. This has the advantage of being less costly to develop and would be less disruptive to the theatres events programme. However, compromises would have to be made to the design and layout of the theatre and rehearsal / exhibition spaces as the design would be restricted to mostly the existing building footprint and origination. The food and retail elements would also have to be located where space was available rather than the most design and aesthetically appropriate location.
- 5.6 Option 2 proposes a complete rebuilding of the theatre incorporating it within the new and larger Winter Gardens. This would provide the opportunity to create a bespoke and more flexible facility, which could include new studio and improved rehearsal areas and front of house facilities and that would meet all current and anticipated future needs. The theatre would be fully integrated into the Winter Gardens space and part of the cultural hub. It would also help to achieve better financial sustainability of the theatre through a slightly bigger seating capacity (425-450 seats) and better and more extensive food and beverage sales. This is, however, likely to be a more costly development and would require finding alternative premises for the theatre company during construction.
- 5.7 **The study concludes that either option would serve the theatre well and ensure the provision is retained for the town and is sustainable. The impact of a new theatre (rather than refurbished) with larger Winter Gardens (Option 2) is clearly greater and would provide an original and defining visitor attraction for the town. This should be weighed against the reduced development costs and lesser disruption that Option 1 offers.**

6.0 NEW LEISURE OFFER AND VISITOR ATTRACTION

- 6.1 A fundamental requirement of the redevelopment of these sites is the inclusion of a

new visitor attraction. Tourism is a key sector for the town and the proposals must enhance the local offer. As part of the study the consultants were required to test the type of visitor attraction that might be suitable and recommend what could be included in the scheme.

- 6.2 The study has considered the leisure mix that would best suit and be appropriate for both the sites. It has been mindful of the need for an all year / all-weather facility that will appeal to a wide audience including local residents, visitors and different ages.
- 6.3 They have explored the opportunities to create a truly compelling and unique visitor destination that will be of such a scale to have a regional presence and encourage people to visit time and again. The study has reviewed how Bognor Regis competes with its near tourism neighbours and the scale and impact of the current offer.
- 6.4 A space for a leisure attraction or 'Leisure Box' has previously been suggested as an appropriate structure to be included on the Regis Centre site which could include leisure attractions such as an aquarium, 10-pin bowling, branded attraction or extreme sports centre.
- 6.5 The study however, suggests appeal for such activities is waning as visitors and consumers become more demanding and sophisticated in their tastes. Consumers prefer a single destination offer where retail, leisure and hospitality are merged into one. Consumers now want newer, different and more interesting places to visit.
- 6.6 **The study concludes that Bognor Regis is unlikely to attract branded attractions such as Sealife, Lego Discovery Centre or Madame Tussauds or smaller independent operators as the site(s) and town (population size etc.) would not meet their minimum selection criteria.**
- 6.7 **They have concluded however, that Bognor Regis has the opportunity to create an extremely individual and interesting scheme on the Regis Centre site that would draw and sustain significant audiences.**
- 6.8 Their proposal includes an exciting cultural and leisure mix that makes best use of the growing success of the Alexandra Theatre. The **Winter Gardens** complex will be an attraction in its own right and comfortably sit alongside and support the theatre and cultural hub. It will provide events and exhibition space, a leisure attraction, educational resource, entertainment platform, interesting catering and retail offer as well as wonderful botanical / horticultural displays.
- 6.9 The leisure offer on the Hothampton site would focus on significantly improved public realm and the creation of a substantial boulevard or avenue of trees – **a linear park** – which will also provide parking spaces. This new open space feature or 'green lung' will serve as a new recreation and relaxation focus where people may gather and enjoy their leisure pursuits and deliver a new intuitive pedestrian "green corridor" route from the town centre / railway station area through to the pier end of the seafront.

7.0 FINANCIAL VIABILITY

- 7.1 **Regis Centre Option 1 – Refurbished Theatre** – this appraisal assumes the project will be split into three elements; the theatre, Winter Gardens and associated retail uses; improvements to the public realm and residential and commercial uses. The theatre, Winter Gardens and public realm improvements would be funded from public funds such as Coast to Capital Local Enterprise Partnership and Coastal Communities Fund. The cost is likely to exceed £15,000,000. Private sector partners would deliver the residential and commercially led development which appears to be financially viable. The land value generated can off-set some of the non-commercial / viable elements. The study recommends that for this option the Council retains the car park income and that the A3 rental income is retained by the Winter Gardens / Theatre management company.
- 7.2 **Regis Centre Option 2 – New Theatre** – as with the above option it is assumed this project will be split into the same three elements. However, because it will involve the complete rebuild of the theatre and larger, more impressive Winter Gardens, the public sector investment will be that much greater. The cost is likely to exceed £50,000,000 when the landscaping is included. The residential (with an additional storey) and commercial elements of the completed schemes are financially viable. The percentage surplus generates a land value that can off-set some of the non-commercially viable elements. The study recommends that for this option the Council retains the car park income and that the A3 rental income is retained by the Winter Gardens / Theatre management company.
- 7.3 The study concludes that funding would need to come from a variety of sources including some public funding streams, such as Coast to Capital Local Enterprise Partnership, Coastal Communities Fund, the Council, loans at Public Works Loan Board rates or public sector equity investment in a delivery vehicle.
- 7.4 The study has considered how the delivery of the developments might be phased to optimise values. The relocation of the pub, together with the addition of hotel on the Regis site may suit being delivered at an early stage. Thought also needs to be given to how the theatre can remain operational during its construction or refurbishment phase
- 7.5 **Hothamton site Option1 – Linear Park** – it is assumed this project will be split into two elements, the Linear Park and car park and the residential and retail uses. The cost of acquiring the health centre site has not been included but the site is included in the development area. The public realm / Linear Park and car parking cost is likely to exceed £2,500,000. The Council would retain the income for the car parking. The residential and commercial elements are financially viable and would generate a 17% to 25% profit to a developer. The percentage surplus generates a land value that can off-set the cost of delivering the new Linear Park.
- 7.6 **Hothamton site Option 2** – it is assumed in this option that the site will be developed as a purely commercial venture. The Council will only retain the existing park and play area, which will be refurbished, and the public car park income. The cost of the acquisition of the health centre is not included in the appraisal but the site is included in the development area. This option is financially viable and would

generate adequate profit to a developer. There would be nil land value to the Council.

- 7.7 The Hothamton site, Option 2, could be delivered as a first phase single project. Alternatively, if the Council were to forward fund the new park and replacement parking as in Option 1, the improved environment of the linear park would then optimise the residential values.
- 7.8 The development appraisal has been prepared using a recognised industry standard package (Argus Developer). Although these models offer reasonable forecasts they are highly sensitive to change and a number of scenarios have been considered in the testing.
- 7.9 The Council's provision of Affordable Housing policies, as set out in the emerging draft Local Plan, has been applied. Both options for the Hothamton site can provide a mix of tenures and sizes.
- 7.10 No provision for Affordable Housing has been made on the Regis Centre site development as the overall project, if it is to include such a large public amenity as the Winter Gardens, is not financially viable without public sector funding.
- 7.11 A provisional S106 contribution equivalent to £3,000 per dwelling has therefore been included.
- 7.12 Both the Regis Centre proposals (Options 1 & 2) involve a significant level of public sector investment. It is proposed that officers, in the first instance, progress Regis Centre Option 2. The Regis Centre site is a prime seafront development site and it is important that this once in a generation opportunity meets people's high expectation. The proposal is ambitious and aspirational and we believe has the potential to change the fortunes of the town and revive Bognor Regis's place as a premier seaside destination. Not only will such an impactful scheme get the attention of the public and investors by its scale, it also says that Bognor Regis (and the community) deserves the best and we should work to achieve it. As a next step officers will develop a more thorough understanding of the opportunities and risks of implementing such a proposal, the possible scale and phasing, and the potential funding packages and delivery vehicle approaches that might support it.
- 7.13 Regis Centre Option 1 will remain as an alternative option should the scale of the funding package for Option 2 be unachievable.
- 7.14 Hothamton Option 1 also suggests up-front public sector financing to accelerate and influence the development. It is therefore proposed that officers will progress this option, taking into consideration the potential funding and delivery vehicle approaches that might best support it, ready to market the site and review the likelihood of the public sector investment being fully recouped.

8.0 GOVERNANCE AND OPERATIONAL BUSINESS PLAN

- 8.1 The study considers the governance and business planning for the sites. The sites can be delivered individually or through a combination of disposal options. From an

operational viewpoint the study suggests that the theatre and Winter Gardens are delivered as a single united facility. The study highlights the importance of establishing the governance and operational arrangements before a delivery vehicle or other form of delivery option is considered. This will help the Council to determine the best approach to securing the land, finance, developer(s)/investor(s) as well as the other public partners needed to deliver both the infrastructure and development needed to unlock the full regeneration potential of these important parts of Bognor Regis.

- 8.2 **The study recommends that a Board is quickly established, which includes representatives of the Council and potential partners such as Arun Arts, University of Chichester, the C2C LEP and an organisation such as the Royal Horticultural Society to ensure the functionality of the new buildings meet partners / user's needs and that there is a clear understanding of the longer-term operational and maintenance requirements of the facility and the business plan to support this.**
- 8.3 At this time we do not propose to create a Board but we would wish to engage with all the relevant stakeholders and partners in an informal way as proposed in Recommendation 6.

9.0 DELIVERY VEHICLE OPTIONS

- 9.1 The study has reviewed each of the delivery vehicle options the Council could use. These are;
- I. Council direct development
 - II. Initial development agreements
 - III. Strategic development agreement
 - IV. Individual joint venture vehicle (share company or LLP probably for both sites within one vehicle) and
 - V. Flexible Joint Venture (Share Company or LLP)
- 9.2 The study considers the key opportunities and weaknesses with each approach.
- 9.3 A number of key actions and decisions are required to make the project ready to deliver and to put it in a position to secure long-term investor / developer partners.
- 9.4 **The study concludes that if the Council supports the concepts in the 2017 Bognor Regis Masterplan Options Report its next step should be to review the possible delivery vehicle options as listed in the study with consultants and legal advisors so that each option can be 'tested' to identify the best mechanism to deliver and manage the facilities.**
- 9.5 As the concepts evolve a further report will be brought back to a future sub-committee meeting with the detailed development proposals for each site and recommending the most appropriate delivery vehicle option(s) to implement the schemes.
- 9.6 The Council is mindful of the great interest and enthusiasm that has been expressed by a number of groups and individuals during the 2015 consultation exercise and

their commitment to see regeneration in the town. The Council will continue to engage with these groups as the Garden By the Sea concept is developed and moves towards implementation and procurement opportunities.

10.0 SEAFRONT DELIVERY PLAN

- 10.1 The Seafront Delivery Plan was approved at Full Council in July 2016. It draws together all existing strategy, policy and consultation material relating to Bognor Regis seafront. It sets out a clear framework and guide for future actions to deliver improvements, as funding becomes available, in a phased and holistic manner on the Promenade and immediate areas.
- 10.2 It is a spatial delivery plan that proposes thematic zones along the seafront, and the elements that make up each zone. It enables phased delivery of enhanced facilities for visitors to the seafront which will create a stronger and higher quality offer.
- 10.3 Officers are in the process of commissioning a style guide for the proposed new buildings on the Promenade. The style and materials will be complementary and attune with the development proposals on the Regis Centre.
- 10.4 The zones opposite the Regis Centre i.e. Gateway to the Town, Activities and Stalls fit comfortably with the new proposals. The zones, however, are not intended to be rigid geographically or thematically and can evolve over time as circumstances change.

11.0 TRAFFIC OPTIONS STUDY FOR THE ESPLANADE

- 11.1 Further to the resolution at Full Council on 20 July 2015, a study has been commissioned to consider options for traffic flows, parking and traffic calming on the Esplanade. The study enables a strategic view to be taken in respect of regeneration on both the Regis Centre site and seafront and how the Esplanade could be adjusted in the future to complement future activities in these areas.
- 11.2 The study findings are now being considered and will be reported to a future meeting of the Sub-Committee

12.0 PLACE BRANDING

- 12.1 A place brand is a comprehensive marketing campaign that affords an area a completely new and community-led identity, then communicates that story to its target markets.
- 12.2 A place brand can achieve:
- unification of public sector organisations, business, residents, community groups and faiths under one brand identity and tone of voice
 - improved internal and external perceptions
 - increased business inquiries and investment

- increased visitor numbers
- attract and retain talent
- platform for future development
- springboard for marketing activity that will help the town achieve its goals
- enable a coordinated approach to place making and improvements to the public realm
- empower people and raise aspirations – espouse opportunity and big thinking

12.3 Hemingway Design has been commissioned to develop a place brand campaign for Bognor Regis. This is a joint commission between the University of Chichester, West Sussex County Council and Arun District Council. All three organisations have significant regeneration projects taking place in Bognor Regis and by combining resources have been able to facilitate this work in the most cost efficient way.

12.4 The Hemingway Design Place Branding programme will launch in March 2017 and its aims are to:

- deliver a clear articulation of what Bognor Regis stands for; one that truly resonates with and unites its residents, businesses and institutions
- develop a new identity for Bognor Regis that will promote the town as a place to live, work, invest, visit and restore a sense of civic pride.
- provide a verbal and visual toolkit that will enable all sectors of the local community to communicate the brand messages with ease and pride

12.5 Hemingway Design has also been part of the Urban Delivery project team working on the Regis Centre and Hothampton Feasibility Studies.

13.0 ECONOMIC IMPACT

13.1 As part of the Feasibility Study, an Economic Impact Assessment has been prepared for both sites based on the masterplan proposals. The study considers the economic impact of development on the Regis Centre and Hothampton sites.

13.2 DIRECT AND INDIRECT EMPLOYMENT ESTIMATES

A summary of the estimated employment impact is set out below:

Employment Impact Summary (100% jobs occupancy)	FTE	GVA impact (10 year, £m PV)
Gross direct jobs - operational	212	
Gross direct - construction	93	
Gross direct jobs – total	305	
Net direct jobs	150	£24.7
Indirect jobs	32	£6.6
Total net jobs (direct + indirect)	182	£31.3

- Up to 305 FTE gross direct jobs generated, based on standard employment

densities, assuming 100% occupancy;

- Up to 182 FTE net new jobs created, taking into account leakage, displacement and local multiplier estimates (including 150 direct net new jobs and 32 additional indirect jobs in the wider economy);
- Assuming 10 year persistence of employment benefits, a Gross Value Added (GVA) benefit to the Arun economy of over £31.3 million (present value), assuming GVA per head of £26,165 (GVA per head for West Sussex in 2013, ONS Regional GVA).

13.3 IMPACT ON NET SPENDING AND LOCAL GOVERNMENT INCOME

A summary of the estimated impact on net spending is set out below:

	Annual (£'000s)	10 year benefit, £'000s PV	
		Non- discounted	PV
New local spending			
Net new employee salary spend	1,060	10,630	9,150
New resident spend	1,250	12,520	10,780
<i>Composite multiplier</i>	<i>900</i>	<i>9,020</i>	<i>7,760</i>

14.0 CONSULTATION:

14.1 As part of the feasibility study process the consultants contacted or met with all the various organisations and community groups (including the Sir Richard Hotham project) that had contributed their ideas for the development of the sites as part of the 2015 consultation exercise. These were noted and used where possible to influence the overall concept and design proposals. Recurring themes mentioned in these meetings and that have been reflected the new proposals include:

- The need for an all year round, all weather tourist attraction that will be of interest and appeal to a wide range of people and ages.
- A land-mark / iconic structure that will set Bognor Regis apart and attract new visitors year on year
- A venue that will make best use of its unique seafront location and views
- A new or refurbished theatre venue and cultural hub that supports the community needs as well as offering a broad range of entertainment, music events, exhibitions and cultural interests.
- Good quality restaurants and bars that will also support an evening economy
- A scheme that links the town to the seafront
- Car parking
- Some residential
- A new hotel
- Improvements to the open spaces and public areas, pedestrian friendly roads and also better links between the key assets

Has consultation been undertaken with:	YES	NO
Relevant Town/Parish Council		NO
Relevant District Ward Councillors		NO
Other groups/persons (please specify)	YES as explained above	
15. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)	YES	NO
Financial	YES	
Legal		NO
Human Rights/Equality Impact Assessment	N/A	
Community Safety including Section 17 of Crime & Disorder Act	N/A	
Sustainability		NO
Asset Management/Property/Land	YES	
Technology		NO
Safeguarding		NO
Other (please explain)		
16. IMPLICATIONS: A significant number of elements in these schemes, such as the new theatre, Winter Gardens and major improvements to the public realm are heavily reliant of external funding. The next step of the project is to fully investigate the external funding opportunities and potential partnerships that could deliver these elements.		

17. REASON FOR THE DECISION:

The Council has held a long term aspiration to progress development on both the Regis Centre and Hothampton Car Park sites. The Council has also wished to deliver a scheme that would have the support of the community and provide significant benefit and regeneration to the town. Frequent consultations have been conducted over the years and these have influenced the elements of the scheme(s).

This masterplan fully meets this brief and the consultation feedback. The proposals are ambitious and aspirational and have the potential to change the fortunes of the town and revive Bognor Regis's place as a premier seaside destination.

If the Gardens by the Sea concept is supported the Council will be able to progress, in a meaningful, coordinated and focused way, the regeneration of these sites which have been halted for many years.

18. BACKGROUND PAPERS:**1 - Report to Full Council 20th July 2016**

Agenda Item 37 (Minute 145) – The Regeneration of the Regis Centre and Hothampton Car Park sites. Link below

<http://www1.arun.gov.uk/PublicViewer/Tempfiles/e96be9e6b825461.pdf>

2 - Report to Full Council 20th July 2016

Agenda item 7 - Bognor Regis Seafront Improvements

Link below

<http://www1.arun.gov.uk/PublicViewer/Tempfiles/e96be9e6b825461.pdf>

3 - Report to Full Council 11th November 2015

Agenda Item 27 – The regeneration of the Regis Centre and Hothampton Car Park Sites:

Link below.

[http://www1.arun.gov.uk/PublicViewer/Authenticated/CommitteeMeetingAddl.aspx?MeetingId=408&meetingName=Full%20Council%20-%20\(2015-11-11\)%23](http://www1.arun.gov.uk/PublicViewer/Authenticated/CommitteeMeetingAddl.aspx?MeetingId=408&meetingName=Full%20Council%20-%20(2015-11-11)%23)

4 - Bognor Regis 2015 Consultation

Link below

<http://www.arun.gov.uk/bognorregisregeneration>

AGENDA ITEM NO. 6**ARUN DISTRICT COUNCIL****BOGNOR REGIS REGENERATION SUB COMMITTEE****ON 27 FEBRUARY 2017****SUBJECT: Business Support and Enterprise in Arun****REPORT AUTHOR: Miriam Nicholls DATE: 14th February 2017 EXTN: 37845****EXECUTIVE SUMMARY: This report is to bring members up to date with the range of activities taking place to support businesses and enterprise across the district.****RECOMMENDATIONS**

That the Sub Committee notes the information within the report.

1. BACKGROUND:

A range of business support and enterprise services are delivered across the district. Some are delivered in partnership whilst others are direct delivery. Many are ongoing services which have been running for some time, others are new and there are a number that have yet to start.

A huge knowledge of our local business community has been amassed and this is used to shape the services that are provided.

This report provides a summary of each of the initiatives that are currently running. This will be updated on a regular basis.

2. CURRENT PROJECTS AND SERVICES

2.1 The Arun Business Partnership – this started as the Littlehampton Business Partnership, established to bring local businesses together and to encourage them to be aware of the range, depth and quality of their local business colleagues which, in turn, would mean that they could do business together. After four years of productive networking and learning, the Partnership expanded to include Bognor Regis. Each side of the Partnership met separately twice a year, with joint meetings being held every six months. In December 2006, Arundel officially joined the Partnership and the full Arun Business Partnership was born.

Through the Partnership, strategic links have been made with local education providers, companies and private/public sector organisations. From training events to information dissemination, contact building to contract signing, the Business Partnership helps companies grow by encouraging them to get to know each other and to work together. The Partnership is overseen by a Steering Group made up from local businesses. They help us to keep the Partnership running in the way that our local businesses wish. This Steering Group is refreshed from time to time.

The Arun Business Partnership delivers a range of services to local companies. These are explained below.

Networking Meetings - four meetings are held each year. They are deliberately informal as businesses tell us they prefer it that way. Venues are generally provided free of charge by local companies and frequently the hosting venue takes the opportunity to showcase their offer in some way. We currently have a list of venues wishing to host meetings. On average 60 businesses attend each meeting and feedback is excellent. Businesses enjoy the relaxed style and new business people particularly enjoy the way in which the networking takes place as it provides them with an easy way to talk with others.

Business of the Year Awards - the Business of the Year event is held each November. Companies are nominated for 18 Awards, each of which is sponsored by a local business or organisation. The Awards are presented at an evening event when around 250 local business people gather to celebrate the achievements of their colleagues. The 2016 event was held at Butlin's when a crowd of 230 local business people gathered together to celebrate just a fraction of the success of our local business community.

Monthly E-Newsletter - the e-newsletter goes out to around 3,500 businesses at the beginning of each month. Information is gathered from a range of sources including businesses themselves. Items include everything from reports on visits to local companies to opportunities for grants and awards, special offers and business events being held locally. The aim of the newsletter is to keep companies up to date with what is happening and for them to publicise their news in order that everyone is aware of the range and quality of local companies and the opportunities that are available.

Web Site – www.arunbusinesspartnership.co.uk & Social Media - the current web site is currently being refreshed and relaunched. It allows companies to add their own details and, if they are located in the district, a full business profile, news, photos and offers. The Partnership has a LinkedIn Group and a Facebook page which are regularly used to pass around information and for discussions. The Partnership also has a Twitter account @arunbizpartners.

Worklessness - the Council were the winning bidders in 2013 for a contract to work alongside the Department of Work & Employment in gaining work experience placements for 18-24 year olds. This work was carried out by the company that works alongside Arun to look after the Business Partnership, Connects Media. The DWP were delighted with our approach to the work and we are now on our 3rd year of the contract. We continue to exceed targets.

Learning Events – a new series of Masterclass events based around a series of topics relevant to businesses is currently being planned in conjunction with a large local company who has offered to support these sessions and provide the expertise.

2.2 The Coastal West Sussex Skills & Enterprise Group brings together key stakeholders and organisations with an interest in delivering learning and skills, ensuring effective businesses support/engagement and in fostering an enterprise culture. The Business Development Manager sits on this Group.

2.3 The Arun LEAP Project

Business Grants - a scheme to provide grants for businesses was run during 2016. This provided small sums to be match funded for start-up or existing businesses in Bognor Regis. It was extremely successful and as a result the Business Development Manager bid to the West Sussex Strategic Infrastructure Fund for additional funding for a larger scheme. This bid was successful and the scheme now covers the whole of West Sussex. Each Council has been allocated just over £71,000 to be used for small business grants using the LEAP format. The first round for Arun businesses has just been completed and just over £30,000 allocated.

Apprenticeship Grants - a scheme to provide additional funding for companies to take on apprentices was also agreed. This was not to replace any existing provision but to ensure apprentices were paid a living wage. This was successful and is now also part of the larger scheme.

Business Support - the final scheme for the Section 106 funding was to provide business support for new and existing businesses in Arun. This is being delivered by the University of Chichester and a programme of support is currently underway.

2.4 Business Visits – the Business Development Manager undertakes a programme of visits to companies of all sizes across the district. This allows businesses to identify a link within the Council to whom they can take any issues and for this Council to gather information about our local businesses and know what the issues are within that community.

2.5 Weekly Networking – at the request of businesses a weekly networking group has been established. Business Networking Bognor Regis (BNBR) meets at The Beachcroft Hotel at 7:00 a.m. each Thursday morning. It is a group of invited businesses and only one of each type of business is allowed. In the 7 months it has been established BNBR has generated around £140,000 of work amongst its members.

2.6 Help and Support – over the past 6 months over 50 businesses have benefitted with a range of different support.

3. OPTIONS:

The report is for information only.

4. CONSULTATION:

Has consultation been undertaken with:	YES	NO
Relevant Town/Parish Council		X
Relevant District Ward Councillors		X
Other groups/persons (please specify)		X

5. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)	YES	NO
Financial		X
Legal		X
Human Rights/Equality Impact Assessment		X
Community Safety including Section 17 of Crime & Disorder Act		X
Sustainability		X
Asset Management/Property/Land		X
Technology		X
Other (please explain)		X

6. IMPLICATIONS:

None

7. REASON FOR THE DECISION:

Members are asked to note the report.

8. BACKGROUND PAPERS:

None

AGENDA ITEM NO. 7**Bognor Regis Regeneration Position Statement**

Project/Opportunity	Update February 2017
<p>1. Enterprise Bognor Regis Enterprise Bognor Regis (EBR) comprises a series of commercial/industrial sites located north of Bognor Regis straddling the A29. The aim is to make the sites ready and attractive for early development to accelerate business and employment growth</p>	<p>The Transport Studies awaited for the LDO are now in and being assessed for inclusion within the final LDO. Landowners of EBR sites reporting good occupier interest and seeking grants to fill investment gaps. Rolls Royce Phase 2 is going ahead.</p>
<p>2. Regis and Hothamton sites The Council owns two key regeneration sites at the Regis Centre and Hothamton car park and is seeking to develop them to obtain the maximum benefit for the town.</p>	<p>Urban Delivery and their partners were commissioned to undertake feasibility studies for the main elements of both Regis and Hothamton schemes, and report on how best to deliver these schemes. Update report of their proposals at the meeting. Sir Richard Hotham Project second application rejected. Advice sought from specific industry sector organisations; review of proposed theatre provision from Theatres Trust, and design review from South East Design Panel are both available on portal.</p>
<p>3. Town Centre Initiatives A vibrant and appealing town centre offer of shops, public realm and events is a key draw for both residents and visitors. Work to deliver this in partnership with Town Centre Manager, Town Centre Management Board and Bognor Regis Town Council.</p>	<p>All major public realm improvements are complete, with new monolith wayfinding signs and snagging imminent. Impact assessment of the overall improvement work is being undertaken. Vacancy rate is 8% (21 units) across the wider town centre area, with a third of these units in the Arcade. A potential BID for the town centre is being developed, with the formal ballot of businesses planned for Summer 2017.</p>
<p>4. Seafront Regeneration The Seafront Strategy was adopted in 2009 and set out plans to enhance the area. The Seafront Delivery Plan for the central section of the seafront was approved in 2016, with thematic zones and a strategic template for delivery of regeneration initiatives.</p>	<p>Permanent building designs for new public toilets, layout design for the Stalls Zone, Style Guide for future buildings, and building designs for the first permanent catering building has been commissioned. Greenspace plan delivery of the new play area by summer 2017.</p>
<p>5. University of Chichester The University has a campus in both Chichester and Bognor Regis, with strong links with the wider regeneration of Bognor Regis. It has ambitious plans for campus expansion and provides facilities for businesses such as hot-desking, meeting space and incubator units.</p>	<p>The University has a 6 month exclusive lock-out period in respect of bringing forward proposals for the use of the London Road lorry/coach park site for new student accommodation. The Tech Park construction work is progressing with costs higher than forecast. Several recent high profile Vice-Chancellor appointments in key posts.</p>

AGENDA ITEM NO. 7

<p>6. Butlin's Butlin's has transformed much of their accommodation from chalets into modern hotels. This has changed the type of customer coming to Butlin's, and also what they want to do on holiday. Butlin's are an active partner in the wider town regeneration</p>	<p>Planning approved for new Splash pool, landscaping, car parking, plus works to expand the capacity of the resort entrance. Planning application submitted for new team member accommodation for 90 staff close to the resort in Walton Road on the site of the existing St Joseph's Nursing Home and other adjacent buildings.</p>
<p>7. Old Town and Pier The Old Town area around Norfolk Street and Waterloo Square is on the up. Privately funded development will bring new good quality cafes/restaurants. Promotional activity will draw vibrancy and different footfall to this area of the town. The Pier Trust is spearheading plans to safeguard and improve the pier</p>	<p>Old Town Working Group met in December to review public realm design proposals and plans for more Artisan Markets in 2017. The recent fire at the Beach Hotel will delay redevelopment plans for this site. The owner of the pier has declined to engage with the Pier Trust around the change of ownership required to submit a Heritage Lottery Fund bid to repair the pier structure and improve the economic vitality of the buildings.</p>
<p>8. Railway Station The Station occupies a key gateway position in the town. It is a listed building, in poor repair and with vacant commercial opportunities, and is an identified site for improvement</p>	<p>The railway station refurbishment valued at nearly £2m value is starting in early March. WSCC are developing a creative digital shared workspace project in the station. Wayne Hemingway is the commissioned creative lead for the project, and good progress is being made.</p>
<p>9. Transport and Car Parking Transport is a key element of development within the town as is car parking, and it is essential to ensure co-ordination with, and consideration of these issues as part of the development process</p>	<p>Enforcement focused within London Road precinct and High Street to make these areas as traffic-free as possible A report on traffic/parking options study for The Esplanade will come to a future meeting. New 2 hour free parking discs selling well</p>
<p>10. Placebranding Bognor Regis is particularly hampered by negative perceptions of the town. This initiative, led by Hemingway Design, will set out to change the narrative and promote the town as a modern, forward-thinking investment destination.</p>	<p>Hemingway Design is working in partnership with Arun District Council, West Sussex County Council and University of Chichester to promote the many positives about Bognor Regis and change the currently held negative perceptions of the town over time. Stakeholder events will be held in the next few months.</p>