

CASTLEWARD URBAN VILLAGE: PROGRESS REPORT

SUMMARY

- 1.1 The £100+ million Castleward Urban Village project remains a Key Priority for the Council and the Homes and Communities Agency (HCA).
- 1.2 The Castleward Urban Village is a brownfield land urban regeneration project planned on around 12 ha (30 acres) and designed to create a sustainable urban village of Around 800 homes, schools, community facilities and open spaces together with a boulevard link between the railway station and the city centre. The boundaries of the site are shown on the plan at Appendix 2.
- 1.3 Castleward Urban Village Phase 1, see attached plan at Appendix 2, (circa 100 residential units) can come forward immediately, with anticipated development commencing late summer 2012.
- 1.4 The Council continues to work in close conjunction with and the cooperation of the HCA with whom they are a partner of the project.
- 1.5 The Castleward Urban Village project has been the subject of a multi disciplinary team involved throughout the processes including the Council's regeneration, estates, highway and planning departments and external professional advisers. The project promotes best use of Council assets to facilitate the first phase of regeneration to create a sustainable urban village on brownfield land in the city centre.

RECOMMENDATION

- 2.1 To note the contents of this summary report.

REASONS FOR RECOMMENDATION

- 3.1 The Scrutiny Management Commission has requested a Progress Report.

SUPPORTING INFORMATION

Castleward Urban Village

- 4.1 The £100+ million Castleward Urban Village project remains a Key Priority for the Council and the Homes and Communities Agency (HCA). It is a brownfield land urban regeneration project and aims to create on a 12 hectare (circa 30 acres) site a sustainable urban village providing a new residential community in a key strategic location in the city centre. The boundaries of the whole site are shown on the plan attached at Appendix 2, together with the outline area of the proposed Phase 1 and the boundaries of the former DRI car parks recently acquired by the Council.
- 4.2 The benefits of the Castleward Urban Village will include:
- c800 new homes (mostly houses) including affordable housing on brownfield land,
 - Alleviating pressure on developing greenfield land,
 - Sustainable community, including open space, schools (nursery and primary), community facilities and local convenience retail,
 - Attractive pedestrian link between the city centre and the railway station (the Boulevard),
 - Improved links to and improvement of Bass' Recreational Ground,
 - Catalyst to regenerating the southern and eastern fringe of the city centre,
 - Phase 1, see attached plan, (circa 100 residential units) can come forward immediately, with development commencing late summer 2012.
- 4.3 Following a successfully completed EU Competitive Dialogue tendering process Compendium Living (Lovell Group & Riverside Housing consortium) was approved as the preferred development partner at Council Cabinet 15th February 2011 and following the appointment of Compendium Living a Development Agreement has now been entered into with them, the Council and HCA to carry out an exciting phased development of Castleward.
- 4.4 The project therefore achieves a partnership with a private sector partner together with the HCA (and originally the East Midlands Development Agency (*emda*)).
- 4.5 All land in Phase1 (circa 4 acres/1.6ha) is within Council ownership and it is expected that a planning application will be received from Compendium Living in February for outline consent for the whole site together with a detailed application for Phase 1 to allow work on site to commence for Phase 1 later this year. Appendix 3 is the original press release with comments from the Council's Leader and Chief Executive.

Car Parking

- 4.6 The Scrutiny Management Commission has requested a specific update on the car parking implications with regard to the Castleward Urban Village regeneration project.
- 4.7 The car parking implications are a potential loss of income of car parking and income to the Council given that the Liversage Street car park falls within the boundary of the Castleward Urban Village redevelopment project.
- 4.8 These implications are mitigated by:-
- The Council is currently reviewing car parking provision and policy. This review will take into account the Liversage Street car park.
 - As part of the above review Atkins has been commissioned to assess the adequacy of the levels of parking provision for shoppers and office workers.
 - A report will be brought back to Cabinet making any recommendations as to the parking provision and policy.
 - Officers are currently considering alternative locations for shopper parking, if it is required and this will form part of the above report.
 - The Council has acquired the redundant former DRI Bemrose and Sovereign car parks in August 2011 to form part of the Castleward Urban Village redevelopment (see plan at Appendix 2). It is anticipated that these can be used on a temporary basis, subject to receiving the necessary planning consent, after the Liversage street car park has been decommissioned, thereby mitigating the loss of car parking income to the Council.
 - It is also envisaged that the income from the New Homes Bonus Scheme generated by the Castleward Urban Village development may provide a further significant mitigation to any loss of income, subject to the overall Council budget position in future years.

OTHER OPTIONS CONSIDERED

- 5.1 Cabinet determined that the 'do nothing option' is not tenable, given the Council's commitment to supporting the implementation of the city centre regeneration framework.
- 5.2 The Castleward Urban Village development partner has been selected through an EU compliant competitive dialogue process. This required the processes throughout including the brief to the potential development partners to be continuously improved and refined.

This report has been approved by the following officers:

Legal officer	Stuart Leslie
Financial officer	Martin Marples
Human Resources officer	N/A
Service Director(s)	Richard Williams
Other(s)	Greg Jennings, Head of Regeneration Projects Steve Meynell, Head of Estates

For more information contact:	Name: Mark Leach 01332 642063 e-mail: mark.leach@derby.gov.uk
Background papers:	<p>Derby Cityscape Masterplan Plan rev 2007</p> <p>City Centre Eastern Fringes Area Action Plan</p> <p>Cabinet Paper: 19th February 2008: To enter into agreement with English Partnerships (now HCA) to acquire specific properties to facilitate the first phase of regeneration.</p> <p>Cabinet Paper: 21st April 2009: To commit Council land into the project and defer receipt until the end.</p> <p>Leadership Paper: 20th April 2010: To allow mulit storey car park to be incorporated into a later phase and release Council land.</p> <p>Cabinet Paper: 15th February 2011: To approve a development partner.</p> <p>Cabinet Paper. 15th March 2011: To approve acquisition of Royal Infirmary Bemrose and Sovereign car parks.</p> <p>Chief Executive Briefing Paper.5th September 2011: To confirm commercial and legal terms of the Development Agreement satisfied.</p>
List of appendices:	<p>Appendix 1 - Implications</p> <p>Appendix 2 – Site Plan</p> <p>Appendix 2 – Press Release Sept 11</p> <p>Appendix 3 – Artists Impression</p>

IMPLICATIONS

Financial and Value for Money

- 1.1 Refer to previous Cabinet reports. The evaluation process has indicated that Phase 1 of the scheme should be developable without recourse to any further public sector funding and should produce a land receipt. Future phases should only proceed should they deem to be viable at the time of development to provide the required outcomes

Legal

- 2.1 Specialist external legal advisers have been appointed throughout the processes. They advised in the stages leading up to and throughout the procurement process and were heavily involved in finalising the Development Agreement in conjunction with the Council Legal Department. The Council Legal Department will lead on land transfers.

Personnel

- 3.1 There are no personnel implications arising from this report.

Equalities Impact

- 4.1 The recommendations do not give rise to equality issues and the Castleward Urban Village would provide a positive regeneration project with which to strengthen the Council's approach to valuing diversity and to creating opportunities for all our citizens.

Health and Safety

- 5.1 There are no Health and Safety issues arising directly from this report.

Environmental Sustainability

- 6.1 The project will be the creation of a sustainable urban village which will include for

example carbon footprint reduction, sustainable travel and the use of the British Research Establishment Environmental Assessment Method (BREEAM) sustainable development standards and the Code for Sustainable Homes.

Asset Management

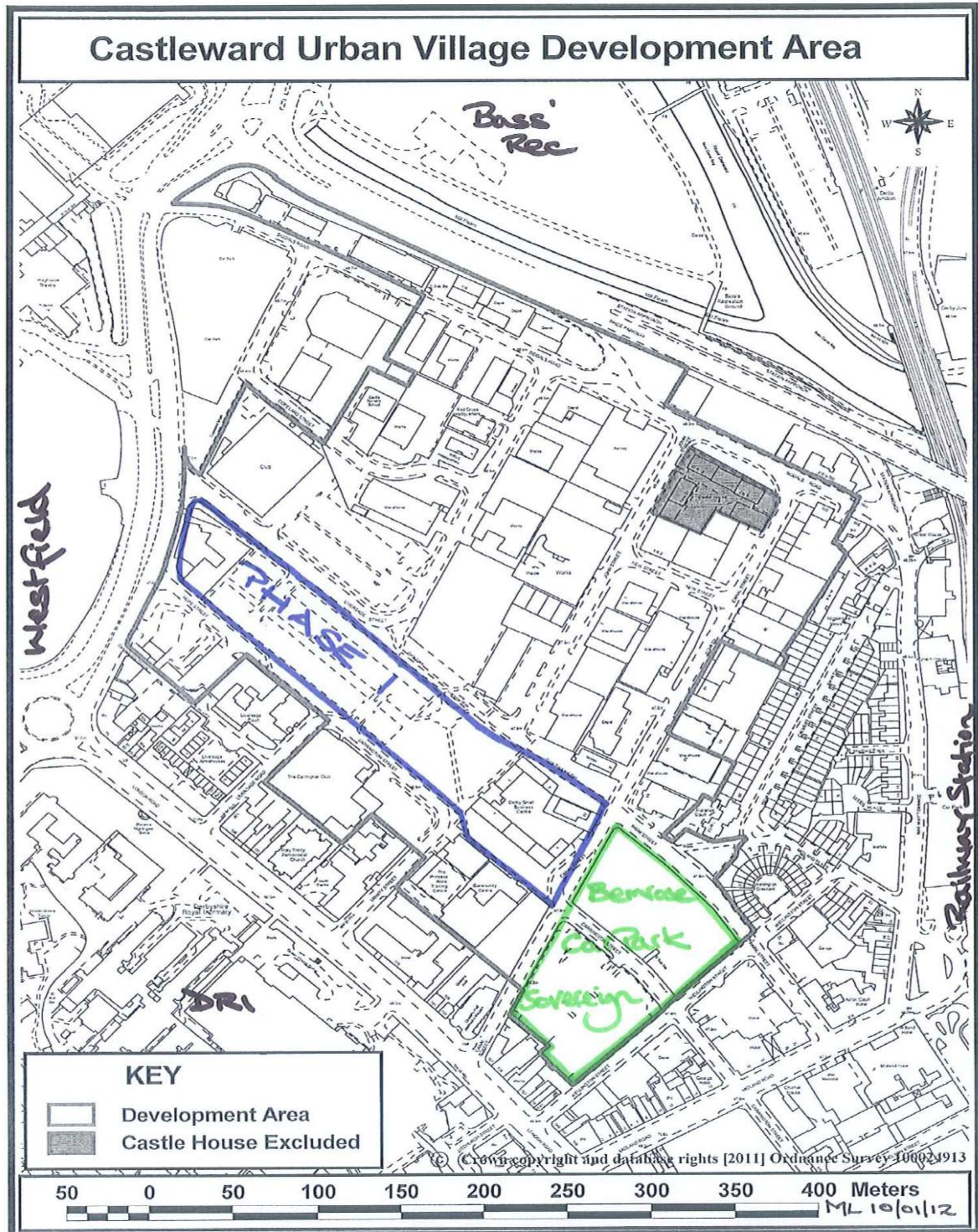
- 7.1 The Estates Section has been part of the multi disciplinary team involved throughout the project. The project promotes best use of Council assets to facilitate the first phase of regeneration to create a sustainable urban village.

Risk Management

- 8.1 A project management team was been set up to effectively manage the scheme and a Strategic Core Group has been set up within the Development Agreement with representations from all partner organisations.

Corporate objectives and priorities for change

- 9.1 Castleward Urban Village will contribute to all six of the Council's six priority areas.



APPENDIX 3**Castleward - Derby's new gateway
Deal signed on £100m city regeneration project**

REGENERATION specialist Compendium Living has signed a deal worth £100m with Derby City Council, signalling the start of a major transformation of the city centre, which will provide a new and vibrant link between Derby Midland Station and the Westfield shopping centre.

Compendium will develop some 30 acres of existing industrial and amenity space in the Castleward area into a high quality city community which will become the new gateway into Derby.

This high profile scheme, which is being developed in partnership with Compendium's sister companies, Lovell and The Riverside Group, will ultimately provide some 800 new homes, 215,000sq ft of commercial space, community facilities, leisure opportunities, a school and open spaces.

The area's existing central footpath will be transformed into an exciting and cosmopolitan boulevard, with new trees, homes and businesses, which both residents and passersby will be able to enjoy.

Along the new boulevard, the transition between old and new will really be felt as the team behind the project plan to incorporate building designs that reflect Derby's railway heritage as well as its contemporary features.

Dave Bullock, Managing Director of Compendium Living said, "The regeneration of Castleward signifies a new era for life in Derby, really setting the standard for development and becoming the city's new front door.

"By drawing on the knowledge and expertise of our partners we aim to carve out a new place to be, one that refers to Derby's industrial past as much as it celebrates its cutting edge present.

"Living or working in the new Castleward will mean being able to take advantage of everything Derby has to offer right on its doorstep.

"Above all, we look forward to being able to give Derby something it can be proud of."

Councillor Phillip Hickson, Leader of Derby City Council added, "We are delighted to be working with Compendium to revive the Castleward area of the city. This project will deliver major regeneration benefits and provide a fantastic boost for the city. The development of this sustainable community embodies our strident ambition to attract investment into Derby despite the tough economic climate.

Castleward is a key element of the Council's ongoing commitment to stimulating the local economy. We believe that the Castleward Urban Village will provide a high quality residential neighbourhood with the many benefits of city centre living and this will support Derby's quality of life offer."

The project will also include major improvements to the Bass recreational ground and include more than 200 affordable homes.

The Castleward team hopes to submit a planning application for the first phase of the development early in the New Year.

For more information about Castleward, contact Compendium Living on 01782 332342.

APPENDIX 4

CASTLEWARD URBAN VILLAGE : PHASE 1 DEVELOPMENT : ARTISTS IMPRESSION

View from new public open space on new Boulevard towards Westfield



PAPER

END OF