



Report to
Cabinet

20th March 2007

Report of
Director of City Development

Title
Canley Regeneration Programme – Scheme Proposals

There is also a private report relating to this matter which contains details of financial information required to be kept private in accordance with Schedule 12A of the Local Government Act 1972. The grounds for privacy are that it refers to the identity, financial and business affairs of an organisation and the amount of expenditure proposed to be incurred by the Council under a particular contract for the supply of goods or services.

1 Purpose of the Report

- 1.1 Over the last two years detailed work has been undertaken to assess the viability of a transformational regeneration programme in Canley. This report informs Cabinet of the progress made towards a self-funding programme of physical, social and economic regeneration in the area that is designed to improve the quality of life, facilities and services. It explains the recommended proposals and summarises the views put forward by local residents.
- 1.2 To gain approval in principle for the proposals.
- 1.3 To agree to seek planning permission for the scheme and approve the procurement, community consultation and financial strategies for its' delivery.

2 Recommendations

The Cabinet are asked to:

- 2.1 Approve in principle the regeneration proposals listed in Paragraph 4.2 and described in the plan in Appendix A;
- 2.2 Approve the procurement strategy, listed in Paragraphs 3.6.2 and 7.1, subject to continued conformity to the rules governing financial expenditure, to deliver those proposals;
- 2.3 Approve the appointment of Planning Consultants, subject to continued conformity to the rules governing financial expenditure, to develop the proposals and apply, on behalf of the City Council, for outline planning permission;
- 2.4 Note the property implications of the proposals as detailed in Paragraph 5.13.
- 2.5 Note the implications of the financial model as detailed in Paragraph 5.7;
- 2.6 Agree to enter negotiations to secure the demolition of those properties identified as necessary for the delivery of the scheme, and failing this to seek statutory approval to acquire these properties through compulsory purchase.
- 2.7 Agree to the development of a compensation scheme for tenants and any displaced house owner as set out in Paragraph 5.11.3.
- 2.8 Agree that further option appraisal, design and financial appraisal work in conjunction with the local community will be completed to define specific aspects of the proposals in relation

to sites detailed in Appendix A, and to make a specific proposals for these sites in further reports to Cabinet/Cabinet Member Urban Regeneration & Regional Planning.

3 Information/Background

3.1 In November 2004 Cabinet approved the development of a masterplan, based upon a housing based regeneration scheme for Canley. The report also recommended that the provision of a community hub (including replacement library, Youth and community centres) and financial support for the relocation of the Midland Sports Centre for the Disabled should be the top priorities of the regeneration programme. Subsequently it was decided to provide a new Youth Centre within the new Midland Sports Centre.

3.2 In the same report Cabinet also agreed:

- £1.0M from the City Council's Capital Programme be allocated to the Canley Regeneration Programme;
- That any capital receipts generated within Canley should be ring-fenced to the Canley Regeneration Programme;
- That there would be no requirement for affordable housing on the sites identified within the Cabinet report.

3.3 In October 2006 a 4P's Gateway Review (Strategic Review) of the Canley Regeneration Programme was undertaken. The Gateway Review was generally positive about how the programme was developing, but had a series of key recommendations. The recommendations together with summaries of progress to deal with them are listed below:

I. The profile of the Canley neighbourhood programme needs to be raised.

Endorsement of Cabinet to these proposals raises the profile.

II. The realistic capital and ongoing revenue costs of the Canley neighbourhood programme to be firmed up and agreed within the Council's budget.

The project financial summary, Paragraph 5.7, indicates that the proposals are realistic and can be contained within the Council's budget.

III. Programme management needs to reflect the tighter timescale of outputs and outcomes coming together in the Council's autumn review period.

This point was specifically aimed at the programme in the short time frame running up to Cabinet approval. The programme has achieved the objective of providing Cabinet with realistic proposals today for approval.

IV. The communication strategy needs to be reviewed and strengthened to reflect the complexity of this innovative transformation programme.

Since the 4P's review a senior officer team have been directing and monitoring the consultation and communications strategy. In addition a Community Consultation report has been completed.

V. The risk register needs to be weighted and an executive summary developed. Risk associated with the innovative transformation aspects also need to be addressed within the risk management process.

The risk register has been amended to reflect this recommendation.

- VI. *The switch from a regeneration focussed project to a broader neighbourhood transformation programme needs to be formally agreed by the Cabinet.*

The proposals in this report reflect this recommendation.

- VII. *Careful consideration is required to establish the best location for the new facilities that will comprise the 'Heart of Canley'.*

The proposals, as detailed in Paragraph 4.2 and Appendix A, reflect the aspiration for the provision of a 'Heart of Canley'. Further option appraisals will address the specific site opportunities and constraints so that the optimum site arrangements are gained.

- VIII. *The Council must agree and be committed to the Canley masterplan in order to maintain momentum and community buy-in.*

This report reflects this recommendation.

- IX. *Stakeholders need to reflect the wider transformation outcomes of the Canley neighbourhood programme.*

The programme management structure put in place, as detailed in Paragraph 6.1, will ensure that all stakeholders are fully engaged and understand the wider implications of the proposals.

- X. *Continuity of officer support for the project needs to be planned and managed in order to maintain the good community relationships that have recently been re-established.*

The project board structure recognises the ongoing support of senior officers and politicians for the programme. In particular a Neighbourhood Renewal Community Engagement Officer has recently been appointed specifically to support the Canley Regeneration Programme.

- XI. *There is a need to maintain momentum during the masterplan consultation.*

This report reflects the achievement of this recommendation.

- XII. *The Council needs to maintain visible ownership of the physical regenerations aspects of the project and be seen to transfer some responsibilities for well-being issues to the community.*

The proposals put forward will reflect this recommendation as the proposals are developed.

3.4 Masterplan

- 3.4.1 Masterplanning consultants, David Lock Associates, were engaged in August 2005 to complete a Masterplan for Canley. Their brief, in summary, was to provide a financially viable Masterplan for Canley, to engage with the local community and stakeholders and to take account of their views when compiling the Masterplan and to subsequently to produce a framework report to support an outline planning application.

3.5 Consultation

- 3.5.1 During the spring and summer of 2006 the Masterplanners, in conjunction with the City Council and other key stakeholders (Warwick University and Whitefriars Housing Association), undertook a series of consultation events with local residents.

3.5.2 Four key themes emerged from those events:

- **Creating a Heart to Canley**

Canley is a linear estate with no recognised “heart” or easily accessible area for the provision of services for local people, a community hub etc. The new Charter Primary School and the soon to be relocated Midland Sports Centre will go some way to providing that heart, but the majority of community facilities and services are still situated in diverse locations and in poor quality buildings;

- **Development Sites**

The Canley housing estate is surrounded by large areas of green space, a proportion of which is viable for redevelopment as it is under utilised, poor quality and relatively inaccessible. A significant proportion of this land is situated to the East of Canley in and around the Prior Deram Park. In addition other potentially suitable development sites exist in pockets on the Northern boundaries of the existing housing and within the estate including the site of the Youth Club, the Community Centre and the Library. There are also two sites that previously housed primary schools that can also be developed – the former Alderman Harris and Sir Henry Parkes Schools.

- **Improvements to the Environment and Green Spaces in Canley**

One of the principle (principal) assets the community value in Canley is the extensive green space that exists around the community. Some of this green space is extremely valuable Green Belt land (Park and Ten Shilling Woods). If new development is to take place the community would want and expect investment in the remaining green space to make it more accessible and usable by local residents.

- **Transport and Movement**

Transport and movement around, through and into Canley is difficult for pedestrians, cars and public transport. In addition there is a lack of secure parking throughout the estate. The provision of an off street-parking scheme throughout the Canley neighbourhood was a key request from local residents.

3.5.3 Following the consultation process the Masterplanners put forward three sets of proposals, basically an increasing level of intervention from a scheme that mirrored that suggested in the 2004 Cabinet report to a very comprehensive redevelopment of significant areas of the Canley estate. Appendix 2 shows the plans for each of the proposals set out in the public consultation.

3.5.4 To further test these proposals, and to comply with pre-application Planning Guidance, a six week formal consultation programme was undertaken in November and December 2006. The consultation programme included four specific events for anyone to attend held at Charter Primary School, by Prior Deram Park in the Coventry Direct Bus, at the Midland Sports Centre and at Cannon Park Shopping Centre. In addition specific consultation events aimed at Primary School children, Secondary School children and local businesses were held during this period.

3.5.5 It became very clear, during this consultation period, that a specific proposal (demolition of some of the “steel houses” to provide north to south streets) was a major cause of concern to significant numbers of residents. Following a meeting with residents, following consultation with Ward Councillors and the Cabinet Member for Urban Regeneration and Regional Planning, it was decided to remove this specific proposal as an option from the consultation. Residents were subsequently informed by letter.

3.5.6 As part of the consultation process all residents and local businesses were provided with copies of the three proposals and the proposals were posted on the City Council's web-site. All residents and local businesses were provided with questionnaires so that they could make their views about the proposals known. The report (available as a background document) can be summarised as follows:

- 195 Questionnaires returned out of a potential of approximately 3500
- Majority of respondents in favour of some level of development
- Development was accepted, as a means to achieve reinvestment in benefits that would improve the existing Canley neighbourhood and remedy existing problems on the estate
- Improving local services and community facilities was the main priority
- Refurbishment of the Prior Deram shops area was seen as important
- Maintaining and improving green spaces was high on the agenda.
- Option 2 was the most favoured of the 3 opportunities put forward

3.5.7 In addition during the consultation period three petitions were received by the Council. These were considered by the Cabinet Member for Urban Regeneration and Regional Planning at his meeting on 15th February 2007. The petitions related to concerns over the level of demolition proposed in two of the options. It should be noted that the levels of demolitions suggested by these proposals are significantly less than the potential suggested by Options two and three in the consultation documentation. The resolutions from the Cabinet Member for Urban Regeneration and Regional Planning meeting were as follows:

Petition 1. – Opposing the Demolition of Steel Houses in Canley (217 signatures)

The petition be noted.

It be acknowledged that action had already been taken to remove the demolition of the steel houses from the current proposals.

Petition 2 – Opposing the Demolition of Homes and Shops and Destroying Green Spaces in Canley (646 signatures)

The petition be noted.

Officers be requested to include the views expressed when preparing their report to Cabinet when it is asked to decide upon which proposals for the regeneration of Canley are the most appropriate.

The Director of City Development be requested to arrange a site visit to Prior Deram Park in Canley, together with the Cabinet Member, the Ward Councillors and representatives from the local Residents Association. (*The Cabinet Member subsequently visited the site with the Ward Councillors and representatives from the local Residents Association*).

Petition 3 – Opposing Demolition of Shops and Businesses in Canley (278 signatures)

After due consideration of the proposals contained in the report and the matters raised at the meeting, officers be requested to include the views expressed when preparing

their report to Cabinet when it is asked to decide upon which proposals for the regeneration of Canley are the most appropriate.

3.5.8 It is clear from the consultation process that the majority of residents who responded to questionnaires are in favour of development. The petitions raised also show that there is concern in the estate on the level of development proposed on green spaces and that shops and homes should not be demolished. The proposals put forward minimise the levels of demolition of homes and provide for no demolition of shops. In addition the proposals provide a balance of development that will enable the benefits to the community to be maximised.

3.6 Scheme Proposal Analysis

3.6.1 The Masterplanner's proposals were then analysed, by officers and local Ward Members, making reference to the Community Consultation Report, to produce a financially viable proposal that will meet the needs and aspirations of Canley residents and businesses.

3.6.2 In addition a confidential soft market testing exercise was undertaken with four developers to test whether the proposals would be seen favourably by the market, what type of development was appropriate and commercially viable, what procurement approach should be undertaken and to see if there were any significant issues and risks that we hadn't envisaged. The results of the interviews can be summarised as follows:

- The scheme was commercially attractive and the area showed great potential
- A partnership approach was preferred.
- All developers seemed comfortable providing both housing and public realm and infrastructure projects.
- A five to ten year programme was envisaged.
- Two of the developers recognised that housing would provide the most capital receipt income, but also suggested that there could be some commercial development on the A45 frontage. (This idea is not included in the proposals, as it did not form part of the public consultation).
- All developers said that they would be keen to tender for this development opportunity.
- Since those interviews all developers have shown keen interest in the progress of this programme.

3.6.3 Procurement Strategy

Discussions with Partnership UK (Government sponsored development and procurement organisation) have indicated that an SPV (Special Purpose Vehicle) would be inappropriate as the Council owns the majority of the land, but that a partnership with a developer may be a viable option. The other available options are:

1. Procure one Developer/house-builder to deliver the housing related development and the majority of associated infrastructure and community assets together with a financial consideration but retain the flexibility for the Council to consider direct procurement of significant community asset projects (e.g. the community facility).
2. Procure several Developers/house-builders to deliver the housing related development and the majority of associated infrastructure and community asset projects together with a financial consideration.
3. Sell the available housing development land to one or more developers / house-builders and procure the majority of associated infrastructure and community assets

projects public realm works using normal City Council procurement procedures from the receipts generated from the land sales.

The preferred procurement strategy is to procure one developer to deliver the majority of the associated infrastructure and community asset projects together with a financial consideration but reserve the option for the City Council to procure some of these projects directly. The reasons for this are:

- options two and three are heavily resource intensive in both procurement and monitoring stages;
- options two and three will not provide the '*economies of scale*', that a single developer would bring, both in terms of building cost savings and land values;
- Option one will enable a consistent approach to providing good quality design;
- More than one developer may provide difficulties in phasing and programming and in particular the risk will lie with the City Council to co-ordinate effectively;
- More than one developer on site may potentially create more construction traffic and disruption within Canley at any one time and would be more difficult to manage effectively;
- In Option One risk is transferred to the developer at a very early stage. The key risks in options two and three remain with the Council for much longer.
- In Option One a single point of contact with both the City Council and the Community will be facilitated;
- Option 1. allows the City Council the flexibility to manage appropriate and specific projects in-house if required
- Option 1 also allows the flexibility to develop a range of delivery mechanisms in conjunction with the community, other potential partners (e.g. Whitefriars) and the developer within the finances available. An example may possibly be the setting up of a trust fund managed by the partners to pay for specific projects.

A dis-benefit of using a single developer is the reliance upon them to deliver the majority of the programme. This can be mitigated by the procurement of a developer, or consortium, that is sufficiently large, has the relevant experience, flexibility and capability of delivering a wide range of development schemes.

4 Proposal and Other Option(s) to be Considered

4.1 The proposal put forward in this report has been the subject of detailed option appraisal, community consultation, technical and financial analysis. It must be noted that the proposals are only indicative at this moment and are subject to statutory planning approval through the City Council's Unitary Development Plan and further detailed design, consultation and financial assessment.

4.2 The attached preferred option plan indicates the draft proposals being put forward. The proposals are contextualised as follows:

A. New Housing on Alderman Harris School Site

The proposal (previously agreed in the November 2004 Cabinet Report) is for this site to be developed for housing. This site is wholly owned by the City Council and has planning permission for educational use so a change of use will be required to enable housing to be built on it. Section 77 consent will also be required from the DfES for disposal.

B. Community Facility & New Homes

The site is to the North end of Mitchell Avenue adjacent to the New Charter Primary School. This site is considerably larger than that proposed in the November 2004 Cabinet Report. The proposals include for a much larger land take and the demolition of 32 Whitefriars properties and two owner occupied properties. The Whitefriars properties are primarily poor quality maisonette and low rise apartment blocks.

The proposal will include for replacing the properties demolished with new houses and apartments on the same site together with new houses and apartment blocks.

Whitefriars have indicated that they are amenable to these proposals, but there may be a need to compulsorily purchase the two owner occupied properties if a negotiated sale cannot be agreed upon.

In addition this site is proposed to contain a new community facility that will potentially house a new library (relocated from Prior Deram), a new Community Centre (relocated from Prior Deram), meeting rooms, classrooms and training spaces, Neighbourhood Management Offices, Social Services Offices, a centrally located reception area. However, an option to be considered is that the Community facility is located at Site M and that Site B is released entirely for housing.

C. Infill Site at the end of Gerard Avenue

The proposal (previously agreed in the November 2004 Cabinet Report) is for this site to be developed for housing. The land take under this proposal is approximately twice the size of the original proposal and is wholly owned by the City Council. Consideration will need to be given to exact layout, size and design as some area of the Canley Brook Meadows is a Site of Importance for Nature Conservation (SINC) and also has the potential to become a statutory Local Nature Reserve.

D. New Housing on Extended Sir Henry Parkes Site

The proposal (previously agreed in the November 2004 Cabinet Report) is for this site to be developed for housing. This proposal is much smaller than that previously agreed to enable there to be a high quality green space buffer zone around the new housing development. This site is wholly owned by the City Council and has planning permission for educational and leisure use so a change of use will be required to enable housing to be built on it.

E. New Park & Housing on Prior Deram Park

The proposal is for Prior Deram Park to undergo land remediation, a proportion of the site to be developed for housing and a smaller but more useful and higher quality park to be provided. This site is wholly owned by the City Council and is one of the City's five city parks.

F. New Housing on Dolphin Pub Site

The Dolphin Public House is run down, aesthetically of poor quality and appears to provide for a small section of the local community. The proposal is for the Dolphin Pub to be demolished, the site to be developed for housing and a new pub designed to meet

the needs of all the local community and the modern licensed trade market to be provided in a park setting in Prior Deram Park next to the brook stray.

This property is owned by a brewery so a compulsory purchase order may be required to acquire the site if a negotiated sale, or land exchange, cannot be agreed although the indications are that this may be prohibitively expensive.

G. New Housing on Community Centre site next to Prior Deram Shops

The existing community centre is poor quality, underused and proposal (previously agreed in the November 2004 Cabinet Report) is for this site to be developed for housing and a new community centre to be provided (See B. Community facility above).

This site is wholly owned by the City Council.

H. Refurbishment of Shopping Areas and Support for Businesses

The Prior Deram shopping area is unwelcoming, has security problems and looks run down. The shopping area on Charter Avenue is in better condition, but is also in need of improvement and investment. This proposal includes for funds to be set aside to improve all the shopping areas by a combination of street scene and anti-crime improvements to the immediate locale and by the provision of grant aid for businesses to physically improve their frontages.

I. Redevelopment of the Library Site for Housing

The proposal (previously agreed in the November 2004 Cabinet Report) is for this site to be developed for housing. The proposal includes for the Library to be relocated into the new Community Facility (See B. Community facility above).

This site is wholly owned by the City Council.

J. Redevelopment of the Doctors Surgery for Housing

The proposal (previously agreed in the November 2004 Cabinet Report) is for this site to be developed for housing. The November 2004 Cabinet Report suggested that a new health facility should be located on Prior Deram Park. Discussions with health providers have not concluded the most appropriate location for a new health facility although there does seem some support to provide a new multi-function health facility on site B adjacent and/or contiguous with the new proposed Community Facility.

The City Council own the Freehold of this site with the GP's having a 125 Lease from 1990.

This proposal requires more detailed analysis and will be subject to additional funding being provided by other partners (GP's, PCT etc). This analysis and option appraisal will be the subject of a future report to Cabinet.

K. Redevelopment of the Youth Centre Site for Housing

The existing Youth Centre was closed in 2006 as the building became unsafe and is shortly to be demolished (approx June 2007). The new Midland Sports Centre is being constructed with a dedicated Youth Facility to replace the existing. The proposal (previously agreed in the November 2004 Cabinet Report) is for this site to be developed for housing.

This site is wholly owned by the City Council.

L. Additional Housing on the Edge of Gerard Avenue

This site is additional to the proposals put forward in 2004. The proposal provides for housing development.

This site is wholly owned by the City Council.

M. Heart of Canley – New development potential

This site denotes the centre of Canley and is a key focal point. It is dominated by two aesthetically poor quality and run down four storey apartment blocks (known as Star blocks) owned by Whitefriars Housing Association and a small two storey maisonette block, some of which is currently boarded up. There are three owner occupiers of the small two storey maisonette block.

As this site is such a focal point for the future development of Canley and the quality of the dominating built environment is so poor it is suggested that major intervention is required. A preferred option has not been identified, but four possible solutions have emerged. The complexity of the site and issues pertaining to it require significantly more detailed analysis before a robust development option can be recommended and will be the subject of a future report to Cabinet.

The options that it is felt should be considered are:

- 1) Do Nothing
- 2) Refurbish the existing Star and Maisonette Blocks
- 3) Demolish the Star Blocks and redevelop the site for housing
- 4) Demolish the Star and Maisonette Blocks and redevelop the site for housing As options 3) but with a new small scale community or commercial (eg café, Clinic/surgery/pharmacy etc) facility incorporated within the development.
- 5) Develop a Community hub facility here, to sit alongside the shops and church, as an alternative to Site B.

N. Proposed Footway and Cycle Loops

Four new Footway and Cycle Loops are proposed and will be sympathetically designed to reflect the importance of the green spaces. These will provide local people the opportunity to access and enjoy the green spaces easily and securely and provide non-motorised access to the new proposed facilities at the “Heart” of Canley. The rationale behind the loops is to encourage local people to improve their health by undertaking cycling, walking, running and aerobic exercise and as such each loop will have fitness stations at appropriate points.

O. Heart of Canley - Optional Redevelopment Opportunity

Creating a vibrant heart to Canley could be enhanced by developing on the rugby pitches off Mitchell Avenue. This land is in the Green Belt so a reasonable compromise would possibly be to develop this site for housing and revert the land at A. Alderman Harris School Site back to Green Belt. Developing on Green Belt would be a departure from the Development plan and would require referral to GOWM.

If this proposal was to materialise the rugby club currently occupying the site on a lease from the City Council would either need to be moved or their existing site layout be redesigned. More detailed feasibility analysis is required before a preferred option is recommended.

P. New Housing at Howcotte Green

The proposal is for this site to be developed for housing. This site is wholly owned by the City Council.

Q. Better Quality Playing Fields

There are playing fields at a number of sites across the estate, together with new playing fields being provided at the new Midland Sports Centre location on Mitchell Avenue. This proposal is for a detailed option appraisal of the existing pitches to assess the best and most suitable locations.

R. Upgrading of Street Scene

A number of the roads and streets in the estate suffer from poor parking provision, inadequate street lighting and have a run down appearance. This proposal is to generally upgrade streets and footpaths across the estate, provide better off and on road parking for residents, improve street lighting, traffic calming, provide anti-crime measures (CCTV), provide quality design interfaces with the new housing developments.

S. Environmental Improvements

This proposal is to provide improvement schemes that upgrade all the public realm areas, not covered in R. Upgrading of Street Scene, such as improving existing playgrounds, providing new playgrounds and Multi-Use Games Areas, measures to protect the Green Belt and green spaces, providing lighting to parks and open spaces, sensitively improve access to the green spaces and woodlands.

It should be noted that the Green Space Planning Statement, which supported the planning application for the new Charter School, identified land of SINC quality (Site of Importance for Nature Conservation, which has since been confirmed in a subsequent Phase 2 ecological survey and by the independent SINC advisory panel) A statutory Local Nature Reserve was also proposed for part of the Canley Brook Meadows.

T. Improvements to Transport

Funding in this programme cannot provide for major road and transport improvements. It is proposed that the Canley Regeneration Programme can enhance and facilitate major transport initiatives such as the Bus Rapid Transport routing, Tile Hill Interchange and improvements to junctions with the A45.

U. Whitefriars Housing Association Redevelopment Opportunities

Whitefriars, as the major land-owner within the estate, have a number of sites that they feel are in need of development.

These proposals do not reflect these sites, but it is important that they are noted and where opportunities arise for working in partnership to deliver high quality the City should be in a position to respond. It is envisaged that Whitefriars may be able to gain economies of scale by working with the scheme Developer, once chosen, and that compatibility between sites is gained.

The sites that Whitefriars are considering developing are as follows:

- *Refurbishment and Improvement of the remaining Star Blocks*
The Star Blocks are run down and aesthetically poor quality.
- *Works to the Green Space surrounding George Rowley House*
Whitefriars are looking at options for the redevelopment of this site. The Council is a part owner of this George Rowley House site through a long lease arrangement.

All these and any other sites that Whitefriars may decide to bring forward will be the subject of detailed option appraisal and consultation with their tenants and any other residents affected.

V. Revenue support to provide enhanced service delivery

Running in parallel with the physical regeneration programme there is a proposal to enhance the existing revenue based service support to enable capacity building, provide access to training and education programmes, target hard to reach and disenfranchised members of the community, promote business sustainability, encourage new business start ups in the area etc.

W. Council Offices Site on Charter Avenue

Social Services Older Peoples team and the Neighbourhood Management Team currently occupy two buildings on this site. If they are relocated into the new Community Facility as part of Proposal B. Community Facility the site can be redeveloped for housing. This site is wholly owned by the City Council.

5 Other specific implications

5.1

	Implications (See below)	No Implications
Best Value	✓	
Children and Young People	✓	
Comparable Benchmark Data		✓
Corporate Parenting		✓
Coventry Community Plan	✓?	
Crime and Disorder	✓	
Equal Opportunities	✓	
Finance	✓	
Health and Safety	✓	
Human Resources	✓	
Human Rights Act		✓
Impact on Partner Organisations	✓	
Information and Communications Technology		✓
Legal Implications	✓	
Neighbourhood Management	✓	
Property Implications	✓	
Race Equality Scheme		✓
Risk Management	✓	
Sustainable Development	✓	
Trade Union Consultation	✓	

	Implications (See below)	No Implications
Voluntary Sector – The Coventry Compact		✓

5.2 Best Value

5.2.1 The overall programme will be procured on a developer partner model through the OJEU (Office of the European Union) procedures. Individual aspects of the programme will be procured on a tendering basis that reflects both quality and price, normally split 75/25 to ensure that best value is achieved.

5.3 Children and Young People

5.3.1 The development of the Canley Regeneration Programme has already involved Children and Young People in the consultation process and provided £150,000 towards a Youth centre in the new Midland Sports Centre.

5.3.2 As the Canley Regeneration Programme progresses programmes and projects will be developed specifically for Children and Young People and Children and Young People will be encouraged to be involved in the design and delivery of those projects. A key benefit of the scheme to existing residents will be new and improved play space and facilities for children and young people.

5.4 Coventry Community Plan

5.4.1 Canley Regeneration Programme will contribute to key priorities in the Coventry Community Plan by providing new homes, street-scene and green space improvements, community facilities, support to business and improved services that meet local need. This will help to close the gap between Canley and more affluent parts of the City by improving quality of life experienced by local people.

5.5 Crime and Disorder

5.5.1 The Police are already represented on the Canley Regeneration Programme Project Team and will continue to be involved.

5.5.2 A number of measures will aid the reduction of crime and disorder. Examples would be the provision of better street and footpath lighting, the installation of CCTV cameras, ensuring that all new facilities are built using secure by design principles etc.

5.5.3 In addition revenue support will be utilised to encourage young people and the disenfranchised to take part in diversionary activities such as midnight football leagues at the new Midland Sports Centre and education, employment training and capacity building programmes based out of the proposed Community facility.

5.6 Equal Opportunities

5.6.1 Both capital and revenue programmes will be designed to ensure that no residents are excluded and that they are fully accessible.

5.7 Finance

5.7.1 The Council's own finance staff and our external advisors, Grant Thornton, have produced a financial model to determine whether the scheme is affordable and will provide sufficient return to a private sector developer to enable the project to proceed.

5.7.2 The project is being funded by capital receipts to be generated from the sale of Council land within the Canley area and £1.15m (£1m corporate Council capital contribution and

£0.15m contribution from Youth Services) towards the construction of the Midland Sports Centre by the Coventry Sports Foundation.

5.7.3 The financial model uses a standard approach and includes all of the costs associated with the scheme e.g. construction costs, infrastructure costs, fees, land acquisition and developers return. The financial model also includes all of the estimated income to be generated from sale of private properties within the scheme. The financial model breaks even.

5.7.4 Area Wide Infrastructure Costs

The developer will be required to provide improvements in area wide infrastructure and public realm in order to secure the contract. The financial model includes an allocation of for infrastructure. It is forecast that the developer will need to undertake the following activities:

- new link roads
- replacement sports pitches
- replacement park
- replacement and new play grounds
- junction improvements
- shop refurbishments
- development infrastructure
- enhancements to public infrastructure.

5.7.5 Community Asset Project Costs

In addition to the new infrastructure as described above the Council agreed in November 2004 that the proceeds from the sale of land in Canley would be reinvested in Canley. Following the public consultation the following projects were suggested.

Community Asset Projects

- Community Hub - inc of surgery
- New parks & improvements
- Anti-crime measures (CCTV & Security)
- Public Realm improvements
- Sport improvements /pitches/rugby club & relocating playing fields
- Quick Wins – environmental improvements etc
- Playgrounds
- Refurbishment 'heart of Canley' shops
- New parking schemes

5.7.6 Whitefriars Properties

The financial model deducts the open market value of houses provided to Whitefriars Housing Association under the proposed agreement between it and the Council. This assumption is based on Whitefriars allowing the demolition of its housing stock across the masterplan sites and being provided with a replacement house/flat at nil cost.

5.7.7 The net project financial position is dependent on the assumptions outlined in this report. The key financial risks which could impact on the estimated figures are as follows;

- Anticipated sales values do not materialise and the housing numbers/mix varies from the forecast;
- Inadequate estimates of costs due to the timing of the construction of the new properties and infrastructure or inflation exceeds estimate;

- Interest rate rises increase costs of borrowing; and
- Community assets estimated expenditure increases.

5.7.8 The original commission for David Lock Associates did not take into account subsequent changes in planning legislation (requirement for an access statement and a sustainability report), a traffic study, the additional public consultation work required and an increase in the length of the commission. The funding for this additional commission is included within the financial summary discussed in Paragraph 5.7.3.

5.7.9 The levels of community, local business and stakeholder consultation required during the development period over the next two years warrant the employment of a dedicated community development worker. The most cost effective method of procuring this service is by employing a suitably qualified and experienced person on a fixed term contract for a period of two years. The funding for this post is included within the financial summary discussed in Paragraph 5.7.3.

5.8 Health and Safety

5.8.1 All projects and programmes will be designed and managed with due regard to health and safety of residents, users and contractors.

5.9 Human Resources

5.9.1 The proposed revenue programme will require additional staff to be employed on short term contracts.

5.9.2 The Project Management of the programme will require additional staff and/or external consultants to be employed.

5.9.3 The new facilities may require changes working practices.

5.10 Impact on Partner Organisations

5.10.1 The Canley Regeneration Programme has been developed with a wide range of Partner Organisations (Whitefriars Housing Association, Coventry Sports Foundation, Warwick University, PCT, Canley Residents Action Group (CRAG), the Police etc). All these organisations will continue to be actively involved in the development of the Canley Regeneration Programme.

5.10.2 Specifically this programme will impact upon a variety of organisations as follows:

a) Whitefriars Housing Association

Approximately 60 of their property's will be demolished and rebuilt. This will provide the tenants affected with higher quality accommodation that has a longer expected life and will be much more energy efficient. The estimated costs of this work to provide Whitefriars with new accommodation has been included within the financial model. This will therefore reduce tenants running costs and reduce Whitefriars maintenance costs.

b) Coventry Sports Foundation

The Canley Regeneration Programme is providing £1.15M towards the relocation of the Midlands Sports Centre together with providing the land on which it is to be constructed at a pepper corn rent. This will enable the Coventry Sports Foundation to provide higher quality services to Coventry residents much more effectively and efficiently than from their current location.

c) Warwick University

The new housing, improved access into and out of Canley, new sports and leisure facilities will be available for both students and university staff to benefit from.

d) PCT

There is potential for greatly improving the way health and related services are provided within Canley by the provision of centrally located, new and more up to date accommodation.

e) Canley Residents Action Group

CRAG will be actively involved in the development of the Canley Regeneration Programme and will be encouraged to be closely involved in all aspects of the development and delivery of specific programmes and projects.

f) The Police

The police will be involved in an advisory capacity to ensure that “Secure by Design” principles are adhered to. In addition the Police will be encouraged to contribute to the proposals for additional education, training and diversionary activities in the area and from new facilities.

5.11 Legal Implications

5.11.1 The Canley Regeneration Programme will require Outline Planning Permission to proceed and once a developer/partner has been procured detail Planning Permission and Building Regulation Approvals will be required for each individual project.

5.11.2 The procurement of a developer partner will require adherence to OJEU procedures and the negotiation of a contract to undertake works as well as land sale agreements.

5.11.3 Displaced Owner Occupiers and Tenants compensation schemes

There will be implications for some Owner Occupiers and Tenants should these proposals be adopted.

Tenants

Any Tenants affected will be eligible for Statutory Home Loss and Disturbance payments. These have been accounted for within the financial model. In addition it has been assumed, and relevant financial implications accounted for in the financial summary discussed in Paragraph 5.7.3, that all tenants will be re-housed in similar new accommodation built on the estate.

Businesses

Businesses may require compensation for extinguishment or temporary loss of profits if they need to be compulsorily purchased. The only businesses that may be affected in these proposals are the Dolphin Public House and the Coventry Technical College Rugby Club.

Owner-Occupiers

It is proposed that the owner occupiers affected by these proposals will be offered a similar compensation scheme, over and above the statutory provision requirement, to that that is to be offered to owner occupiers in the WEHM New Deal for Communities Masterplan Development Agreement. This is that they will be offered a new property on an equity share basis whereby they purchase a percentage proportion of their new home using the funds from the sale of their existing property. Any outstanding amount owed to the developer will be funded from the Canley Regeneration Budget. When the owner-occupier either then sells or it becomes part of their estate on death the remaining equity share. The following worked example shows how the scheme would work from a financial perspective:

	£
Sale of Existing House	100,000
Statutory Compensation @ 10%	<u>10,000</u>
Total Funds Available	110,000
New House Sales Value	220,000-
Less Funds Available	<u>110,000</u>
Equity Share Requirement	110,000

In this example the Owner-occupier pays 50% of the purchase cost. The remaining 50% stays as a charge on the property that is payable back to the Canley Regeneration Budget when they sell or leave the property in a will.

There is one owner occupier affected in the proposals for site B. Community Facility & New Homes and potentially three others if the proposal of Option 4 in site M. Heart of Canley – New Development Potential is decided upon. The financial implications of these proposals are accounted for in the financial summary discussed in Paragraph 5.7.

5.12 Neighbourhood Management

5.12.1 Neighbourhood Management have been part of the project team developing the Regeneration Plan and will continue to work with residents to gain their further involvement in the process. The proposal also has implications for the Neighbourhood Management Team and partners to be relocated to the Community Hub Buildings.

5.13 Property Implications

5.13.1 The masterplan is essentially a land use planning tool and property implications for the Council result from the impact of proposed uses on its existing asset base. The Council is a significant land owner in the Canley area and most of the proposals affect sites in the direct ownership of the Council as indicated in the report.

5.13.2 There may be a requirement to acquire property interests by way of CPO but these have been minimised in the way that the masterplan has been put together, however the publication now of definite proposals may increase the requests for right to buy and increase the number of owner occupiers displaced. In addition consent may be required from the DfES for the disposal of school related assets and from DCLG for the disposal of public open space. Where Whitefriars land is required for public realm works they have indicated a willingness for this to be transferred to the Council.

5.13.3 It has previously been agreed that receipts on disposal of development sites in Canley are ring-fenced to meet the costs of the community hub and other public realm works. The disposal of land will be at open market value and the terms of the disposal will be reported after a development partner has been procured.

5.14 Risk Management

5.14.1 The overall risk management for the programme will be managed by the Project Champions Team and will report key risks to Project Board at each meeting. Each Working and Theme Group will have the following standing items on their meeting agenda's

- Risk Management
- Programme Management
- Financial Implications/Management
- Community Consultation Requirements

5.15 Sustainable Development

5.15.1 All built environment projects will be constructed to ensure that they are sustainable and energy efficient.

5.15.2 The Prior Deram Park will undergo a land remediation scheme and any material removed will be disposed of in appropriate land-fill sites.

5.16 Trade Union Consultation

5.16.1 The proposals will involve new office accommodation and staff being moved as well as enhanced service delivery when funding comes on stream from the developer/partner. Trade Unions will be fully consulted as this process happens.

6 Monitoring

6.1 Project Management

6.1.1 The Canley regeneration Programme is managed by a Project Board. The Project Board is made up as follows:

Chair Head of Regeneration (Carl Pearson)

Board Members: Cabinet Member for Urban Regeneration & Regional Planning
Ward Councillor (Councillor Batten)
Head of Special Projects Finance (John Daly)
Head of Strategic Planning -Children's Services (Carol Pullin)
Neighbourhood Manager South (Jackie Fox)
CRAG Representative (Alan Goodall/Sharman Williams)
Director of Whitefriars HA (Richard Monk)
Project Champion (Tim Jones)
Project Manager (Lucy Hobbs)

Reporting to the Project Board is the Project Team. This comprises representatives from the following stakeholder organisations:

All City Council Departments
PCT
Warwick University
Local Businesses
CRAG
Coventry Sports Foundation
The Police etc

The membership of the Project Team is not restrictive and other organisations/stakeholders are encouraged to attend meetings and be put on the circulation lists for information.

6.1.2 It is envisaged that as the project goes forward a series of delivery teams will be established to take forward particular aspects of the project.

6.1.3 It is envisaged that each delivery team will be project managed with representation from both the community and stakeholders. The delivery teams will be lead by a relevant specialist and will report through the Project Champions team to Project Board.

6.1.4 The Board and all delivery teams will meet on a regular basis to ensure that the programme is managed effectively and that the transformational aspects of the programme are achieved.

7 Timescale and expected outcomes

7.1 The following programme is expected:

**Canley Regeneration Programme
Indicative Programme**

Activity	Start	Completion
Cabinet Approval		March-07
Procure Planning Consultants	April-07	May-07
Outline Planning Permission	June-07	January-08
Procure Developer/Partner	April-07	March-08
Detailed Planning Permissions	April-08	October-08
Housing Developments	January-09	January-17
Public Realm Improvements	January-09	January-17

	Yes	No
Key Decision	√	
Scrutiny Consideration (if yes, which Scrutiny meeting and date)		√
Council Consideration (if yes, date of Council meeting)		√

List of background papers

Canley Regeneration Programme, Consultation Leaflet showing three Options
Canley Regeneration Programme Community Consultation Report (Internally produced)

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Papers open to Public Inspection

Description of paper

Canley Regeneration Programme, Consultation
Leaflet showing three Options

Canley Regeneration Programme Community
Consultation Report (Internally produced)

Location

– Civic Centre 4, 4th Floor &
www.coventry.gov.uk/canley

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