

# RIBBLE VALLEY BOROUGH COUNCIL POLICY AND FINANCE COMMITTEE

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Agenda Item No.

meeting date: TUESDAY, 6 SEPTEMBER 2016  
title: CLITHEROE MARKET RE-DEVELOPMENT AREA – PROGRESS REPORT  
submitted by: MARSHAL SCOTT – CHIEF EXECUTIVE  
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## 1 PURPOSE

1.1 To receive an update on progress with the market area re-development project.

1.2 Relevance to the Council's ambitions and priorities

- Community Objectives – To encourage economic development and sustain a strong and prosperous Ribble Valley.
- Corporate Priorities – To identify options to deliver re-development of the market site and appoint an appropriate development partner.
- Other Considerations – To ensure the Council is a well-managed and efficient authority.

## 2 BACKGROUND

2.1 As Members will recall a key ambition for the Council is to sustain a strong and prosperous Ribble Valley as reflected in the Corporate Strategy for the Council. The Council has identified the Market re-development site as a key opportunity to support the local economy and deliver sustainable growth to support the future of Clitheroe Town Centre. Members agreed at the meeting of this Committee in September 2014 to promote the market site as a redevelopment opportunity and at a Special meeting of Policy and Finance Committee held on 30 November, resolved to appoint Barnfield Construction as the Council's development partner for the scheme, (minute 452 refers).

2.2 The proposal to consider the re-development of the market site was a main conclusion from work undertaken in preparing the Clitheroe Town Centre Masterplan. This was both part of the evidence base for the Core Strategy and a tool to inform economic development and regeneration activities in regard to Clitheroe. The Masterplan, following public consultation and community engagement, was adopted by the Council in 2011. A copy of the Masterplan is available for reference in the Members Room on Level D of the Council.

2.3 The Masterplan identified a number of activities over a 10 year period including matters around community, townscape, management and marketing and proposals around Castle Street and Clitheroe market. It identified the importance of the market as a catalyst for wider improvement of the town centre, with a high quality, retail led mixed use development.

2.3 Following this in 2013 the Council commissioned independent consultants Nathaniel Lichfield & Partners to produce both a Retail Study and Leisure Study to inform policy development across the Borough. The studies were further informed by a telephone survey of 500 resident households. The key objective these were to provide a robust and credible evidence base to support the Public Examination of the Council's Core Strategy. A copy of both the Retail and Leisure Studies are also available for reference in the Members Room on Level D of the Council.

- 2.4 The study revealed that the retention of convenience shopping expenditure (i.e. food, household consumables etc.) is relatively healthy in the Borough at 62.7%. However, it also revealed that Ribble Valley Borough retains just over a third (34.7%) of the comparison retail spending power in the area (i.e. clothing and footwear, furnishings, electrical etc.), with Clitheroe capturing just 29.4% of that expenditure specifically, revealing considerable outflows to areas such as Blackburn (22.2%) and Preston (17.2%) as other main destinations to which comparison retail expenditure is attracted.
- 2.5 In order to protect and enhance the vitality and viability of Clitheroe town centre, it is appropriate to make reference to the importance of qualitative improvements in provision, subject to it being consistent with the role, character and catchment area of the town, and the study concludes that additional retail floorspace in Clitheroe, being the largest settlement in Ribble Valley Borough and the principal retail destination, could claw-back trade that is currently directed to locations outside of Borough, and that the capacity for additional floorspace could be provided in units with larger modern floorplates to meet the requirements of retail operators, whilst remaining appropriate to the scale of the town.
- 2.6 The Retail Study helped to underpin the previous work undertaken as of the Clitheroe Masterplan process, which anticipated the development of a critical mass of new retail/leisure floor space, new market hall, improvements to the pedestrian environment and routes including access to the wider town centre. The Council subsequently agreed to the preparation of a Development brief (not a planning brief) as the basis for a developer competition to select a preferred developer to work closely with the Council to deliver a high quality development.
- 2.7 Also, following the publication of the Masterplan, developers had independently expressed interest in the site and the potential to bring forward development in line with the Masterplan and the Council's stated aspirations, and the market testing that occurred identified interest in accord with the provisions of the adopted Clitheroe masterplan. The Council was at an appropriate stage where it could, with some confidence, invite formal expressions of interest to act with the Council to bring about the development of the site and deliver the Council's objectives as set out in the Council's corporate plan.
- 2.8 To commence the formal procurement process, a Marketing and Development brief for the site to form the basis for selecting a development was prepared. This approach would enable the Council to fully explore the options and differing development vehicles available to bring the site forward as a market led scheme by way of a competitive dialogue tender process. This approach allowed, within a framework of requirements for developers to prepare proposals that would reflect both commercial requirements and the aspirations of the Council. Before the brief was published, independent advice was sought from development specialists who endorsed the proposed approach.

### 3 THE PROCUREMENT PROCESS

- 3.1 Members were provided with initial information on the procurement process at the meeting of this Committee held on 9 September 2014 (minute 272 refers). It was reported that the process would need to be formally structured and published in accord with Official Journal of the European Union (OJEU) requirements for competitive dialogue.
- 3.2 The process commenced with an Expression of Interest stage (EOI), which included a pre-qualification questionnaire stage (PQQ), together with information documents being issued. Following the evaluation of the EOI a formal invitation to participate was issued to shortlisted bidders and an open event was held to enable bidders to be

briefed and have an opportunity to clarify any issues ahead of the dialogue meetings. Members will recall that specialist support was also engaged to provide advice to the Council on the dialogue and procurement process to support delivery of the project.

3.3 Jones Lang Lasalle were appointed as specialist development procurement advisors and they have worked with the project team preparing the procurement documents and framework. JLL has also attended the dialogue meetings with developers and provided advice throughout the dialogue process.

3.4 It is important to bear in mind that submissions were designed to show a concept scheme that the developer proposed as its solution to deliver what the Council is seeking. The approach provides a basis to identify and select both a development partner and a concept scheme for the site. The process going forward is a process that will include fine tuning and an element of revision to the scheme to reflect the evolving planning process finalising the scheme and grant of planning permission, as well as the potential to make modifications to the concept in response to the development agreement negotiations that form the basis of the development contract.

#### 4 PROGRESS SINCE APPOINTMENT OF BARNFIELD

4.1 Having resolved to work with Barnfield to deliver a scheme, work has focussed upon the preparation of a detailed proposal with a view to submitting a planning application and confirming the legal arrangements by early autumn. So far this has involved design meetings with planning officers and the council's project team as the scheme has been developed. This has involved a number of iterations of the scheme being worked through to produce a draft that met the councils brief, could work commercially and took account of the design meetings in order to reach a point where wider views could be taken.

4.2 The resulting scheme amounts to a £9 million private sector investment to deliver new facilities in the town centre that will serve the areas growing needs into the future, supporting and complimenting the existing town centre offer. The draft scheme introduces new, modern retail space, attractive to operators who currently are unable to identify suitable space, generating additional footfall and extending the town centre economy. The inclusion of a hotel is intended to support existing venues and wider tourism growth focusing it into the town centre to enhance wider commercial opportunities for the long term health of the town centre. A new market facility will help increase trade and footfall to both the market and the town centre as a feature attraction within the scheme. New public spaces delivered by private sector investment are included where events and outdoor markets can be held.

4.3 The existing spaces (67) on the Market car park will be relocated within the site. Currently the draft scheme shows 61 spaces (a 10% reduction); 50 spaces accessed from Station Road, and 6 from New Market Street with a further 5 spaces reserved for traders use within the service area of the market. This does give a reduction from the existing spaces and has been highlighted as a key matter to re-assess in balance with the wider aspirations to deliver a significant development within the site.

4.4 As agreed from the outset, as well maintaining overall ownership of the site as a whole by way of negotiating a suitable long term ground lease with the developers, it is also the Council's intention to continue to operate, own and oversee all management arrangements in relation to new market facility, other associated buildings and public car parking provision, including maintaining control of any fees, rents and tariffs associated with them.

4.5 As part of this process also, more detailed plans are being put in place in order to ensure the construction process is appropriately phased over multiple stages,

primarily to ensure that the impact is minimalised both on existing occupiers (i.e. market traders) and others neighbouring the site. For example, Phase 1 of the proposed development will be the creation of the re-sited new market facility and cafe to the south east of the site in preparation for the immediate relocation of existing traders into the new buildings from the old site to then allow its clearance and ground preparations ahead of the new retail, hotel and restaurant facilities and associated works in the final phases of the development process.

- 4.6 The developer has been undertaking marketing of the site with potential occupiers. Barnfield have reported strong interest in the retail units from operators and a hotel operator is in advanced negotiations on the scheme. I am also aware of other investment interest being generated in the town centre in association with the development scheme.
- 4.7 In addition, as was reported in November, the appointment of a development partner enabled initial discussions with market representatives and the tenants of the market café regarding relocation and the wider redevelopment process to take place as the scheme was being worked up. Previously, the nominated trader representatives had maintained contact with the Council throughout the procurement process and had acted as a conduit for the exchange of information. The market traders subsequently contacted the Council in February advising that they had established a new steering group to liaise with the Council on the development. This group met with the Council initially in March to discuss their concerns with further meetings subsequently taking place.
- 4.8 As with any major development scheme, a stage of Pre application consultation is undertaken offering a first chance for the public to view the scheme developed so far. Following the presentation of the proposed draft scheme to the Council's Market Working Group who endorsed the scheme to allow it to progress to publication the steering group were given the opportunity view the draft proposal ahead of the public exhibition and pre app consultation.
- 4.9 A two day open event was held on Friday, 22 July and Saturday, 26 July when the public could speak to Barnfield and their architects as well as Council staff. This event was attended by some 250 members of the public, retailers and market traders. The exhibition was also displayed at the Council offices for a further two weeks with extended evening opening on the Tuesday and Thursday of the second week. A further 100 people attended over that two week period. People were invited to respond to Barnfield with their views and comments.
- 4.10 Following the close of the pre-application consultation and at the time of writing, some 29 responses were submitted to Barnfield in response to the invitation to comment. These included a mix of views. Concerns such as scale, design and parking were raised, comments wanting to see more development and comments from those encouraged by the prospect of new shopping facilities and a covered market. The developer is reviewing the comments made and will be holding discussions with the Council as the scheme is reviewed. In addition to these formal responses there has clearly been views expressed in the local media, letters to newspapers feedback to councillors etc. expressing concerns with the proposal.

## 5 CONCLUSIONS

- 5.1 Since the appointment of the development partner, work has been progressing to take the scheme forward in line with the timeline anticipated and has reached a key stage where the draft scheme has been published.
- 5.2 The publication of the draft scheme has clearly generated a lot of interest but some differing views. Whilst it is for Barnfield to review the comments made in relation to

the scheme and undertake any re-design work as part of the normal pre-app process, the Council may also wish to take an opportunity in parallel, to carry out its own consultation to secure further public and stakeholder input in the light of the proposed scheme as a basis for consultation.

- 5.3 It is important and right to recognise the issues raised following publication of the draft proposals. If Members support extending the consultation the details of the consultation on the proposed re development will need to be considered further and it is suggested that this is undertaken by the Council's Market Working Group. It is important that progress on the scheme is not adversely delayed and that investment in the town centre is not consequently prejudiced but it is also important that we get the development right for the town and borough.

## 6. RISK ASSESSMENT

- 6.1 The approval of this report may have the following implications:

- Resources – Costs can be contained within existing revenue budgets for the additional consultation proposed.
- Technical, Environmental and Legal – There are elements of the scheme that will remain commercially sensitive and will be subject to contractual arrangements with the development partner. Consultation must not pre-determine or fetter the council's statutory consideration of any subsequent planning application.
- Political – The Council has made a commitment to bring forward a scheme for the redevelopment of the market area.
- Reputation – The proposal demonstrates the Council's objective to be a well-managed authority promoting the wellbeing of the area reflecting aspirations for economic growth and regeneration and to monitor progress on key projects. The report also highlights the council's responsibility and desire to ensure the views of the public can be taken into account.
- Equality & Diversity – None.

## 7 RECOMMENDED THAT COMMITTEE

- 7.1 Note the progress on matters set out in this report and agree to extend consultation on the proposals for the Clitheroe Market re-development area.
- 7.2 Authorise the Chief Executive in consultation with the Market Working Group to implement arrangements for further consultation as appropriate.

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BACKGROUND PAPERS  
Clitheroe Masterplan  
Ribble Valley Retail Study  
Ribble Valley Leisure  
Committee reports and minutes

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