

REPORT TO: Executive Board

DATE: 11 July 2024

REPORTING OFFICER: Executive Director Environment & Regeneration

PORTFOLIO: Deputy Leader/Climate Change

SUBJECT: Kingsway Quarter, Widnes Town Centre

WARD(S) Central and West Bank

1.0 PURPOSE OF THE REPORT

1.1 To seek agreement to progress delivery of Kingsway Quarter development. This includes capital funding to undertake the demolition of Kingsway Leisure Centre, following its relocation to the new Halton Leisure Centre in 2025.

2.0 RECOMMENDATION: That

The Board:

- 1) Recommend Council adjust the Capital Programme for the sum of £750,000.00 to enable demolition of Kingsway Leisure Centre and associated preparation works to aid formal land disposal;**
- 2) Endorse the vision for Kingsway Quarter site for residential led development, as set out at para 3.6 and in accordance with the wider Widnes Town Centre Strategy;**
- 3) Approves delegated responsibility to Director of Economy, Enterprise and Property in consultation with the Deputy Leader and Portfolio Holder for Climate Change, for site marketing and disposal; and**
- 4) Authorises the Director for Economy, Enterprise and Property to arrange for all required documentation for the transactions to be completed to the satisfaction of the Director of Legal and Democratic Services, in consultation with the Portfolio Holder for Corporate Services.**

3.0 SUPPORTING INFORMATION

3.1 At its meeting on the 7th December 2023, Executive Board endorsed a new Vision and Objectives for Widnes Town Centre and agreed to a number of next steps to progress implementation. This included the preparation of a Masterplan with a focus on the agreed priority development sites and establishment of Widnes Town Centre Panel to guide regeneration proposals.

- 3.2 The Kingsway Quarter was identified as a priority development. With reference to the redline plan at Appendix A, this 2.4 hectare (5.9 acre) site is located at the southern edge of Widnes Town Centre. It comprises three land parcels:
- Site of the former Widnes Police Station and Magistrates Court;
 - Site of former Broseley House;
 - Site of Kingsway Leisure Centre.
- 3.3 Since the decision by the Ministry of Justice to close the Magistrates Courts in 2011, the Council has taken a strategic and proactive approach to assemble the Kingsway Quarter site, remove eyesore buildings and prepare the whole site for redevelopment. This included working in partnership with Cheshire Police on the relocation of Widnes Police Station to more fit for purpose premises on Gerrad Street.
- 3.4 The opening of the new Halton Leisure Centre at Moor Lane in Spring 2025 means the Kingsway Leisure Centre will be vacated and the site redundant. This unlocks the final parcel of land required to enable disposal of Kingsway Quarter for comprehensive redevelopment. The only remaining encumbrance on the land disposal being the need to demolish the leisure centre building following its relocation.
- 3.5 To get a better understanding of the design and development options for the Kingsway Quarter site, Architects have been commissioned to undertake a feasibility study and engage with Planning and Highways. A series of technical survey and viability appraisals are also being undertaken. This pre-development work has been jointly funded by the Liverpool City Region Combined Authority in recognition of the importance of bringing forward residential led development on brownfield land. Pre-development design feasibility will be used to inform site marketing and disposal and prepare a 'Development Framework' to help de-risk and accelerate the planning process for developers.
- 3.6 Whilst design feasibility is still on-going, a vision for the Kingsway Quarter is emerging:

Kingsway Quarter presents a unique opportunity to make a significant contribution to regenerating and revitalising Widnes Town Centre. Through delivering a high quality residential led development that makes a positive first impression on a prominent site at the southern threshold into the town centre.

The site can introduce a contemporary residential offer, promote more sustainable urban living and increase footfall and activity into the Town Centre. The size and location of the site presents an opportunity to meet a need for more older-persons and family housing. Bringing these different housing requirements together into a single new neighbourhood can seek a place which exceeds minimum requirements and through built environment and shared public space design recognise the growing importance of promoting intergenerational connections.

Where the design of a place can help relieve isolation, bring people together in community activities to exchange life skills and experiences and to improve general health and wellbeing, as evidenced by research by bodies including Care England and Intergenerational England.

- 3.7 As one of the first town centre priority development sites coming forward it can provide the catalyst for further investment and change. Alongside the opening of the new Halton Leisure Centre on Moor Lane, it can support the renewal attractiveness of the wider Kingsway Quarter and Southern Widnes area.
- 3.8 The Kingsway Quarter is a prominent site. It provides an important pedestrian route between Riverside College and the town centre through the site. Once vacated, it is important that the Leisure Centre is promptly demolished so that it does not become an empty building liability and drain on the resources of the Council or our blue light partners. To enable demolition work to be programmed for Spring 2025, agreement is sought that Executive Board recommend Council adjust the Capital Programme to enable demolition of Kingsway Leisure Centre and associated works. The financial implications for this recommendation are set out in section 5.
- 3.9 With demolition works programmed, the land disposal process can be progressed in parallel. To help expedite the site's redevelopment, it is recommended that Executive Board approves delegated responsibility to Director of Economy, Enterprise and Property in consultation with the Deputy Leader and the Portfolio Holder for Climate Change and Housing Strategy/Development, for site marketing and disposal on the basis of residential led development. This will include a soft market exercise to test a range of developers appetite to realise the development vision and requirements.
- 3.10 Following the land disposal process, and once a preferred developer has been appointed, community consultation will be undertaken prior to submission of any formal planning application by the developer.

4.0 **POLICY IMPLICATIONS**

- 4.1 The delivery of the Kingsway Quarter will make a positive contribution to use Council (land) resources to realise the Corporate Plan. It will support Priority Six: Valuing and appreciating Halton and our community by supporting Halton's residents to live in decent and affordable homes, surrounded by safe and thriving communities.
- 4.2 The inclusion of older people accommodation as part of the wider vision for the site to create an intergenerational neighbourhood, contributes to Priority One: Improving health, promoting wellbeing and supporting greater independence. The Council's social care commissioning team will be involved in shaping the precise type/offer of any older people accommodation (such as extra care / supported living) to ensure it meets identified need and has a net positive effect on social care budgets.
- 4.3 As a brownfield site, development of the Kingsway Quarter will support realising Halton's Spatial Strategy as set out in the Delivery and Allocations Local Plan (DALP). The site lies within 'South Widnes' one of the five Key Urban Regeneration Areas where the majority of new development in the borough is expected to be located.
- 4.4 The DALP exempts brownfields sites from providing an affordable housing requirement. Given the vision for the Kingsway Quarter, it can help meet the need for affordable local housing and the Council will seek to bring forward the site in accordance with this policy and (subject to viability) provide 25% affordable housing.

5.0 **FINANCIAL IMPLICATIONS**

- 5.1 The Council's Capital Strategy require new Capital Programme schemes to provide the following information:

5.2 (i) Gross cost of the scheme before any external contributions, reimbursements, or capital grants and estimated cash

An independent estimate for the demolition of Kingsway and associated works has been obtained. Adjusting for inflation and incorporating capital design and project management fees, and site disposal costs, a total gross capital budget cost of £750,00.000 is required.

5.3 (ii) Estimated cashflows over the life of the scheme

Spend is anticipated over three financial years 2024/25 – 2026/27. The majority of capital expenditure is anticipated within financial year 2025/26, when the main demolition works will be undertaken.

5.4 (iii) Expected revenue expenditure consequences of the scheme and how these will be funded

This capital project will lead to the disposal of Council assets (land), and it is not anticipated will generate any direct revenue expenditure consequences for the Council. The construction of new homes on the site will generate additional Council Tax income for the Council, it is too early to estimate what that income will be.

5.5 (iv) Details of any specific funding attributable to the scheme such as from capital grants, external contributions and other reimbursements

Capital funding for this project is anticipated to be met from a combination of external capital grant and capital land receipt.

In February 2024, the Council submitted a grant funding bid to the HM Government for the eligible expenditure for the capital demolition works. This bid to the One Public Estate (OPE) Brownfield Land Release Fund was for £517,500.00. The bid was prepared in partnership with the Liverpool City Region Combined Authority. Formal support for the bid included the Member of Parliament and Riverside College. The project had a strong Benefits Cost Ratio (BCR), which the HM Government use to evaluate grant applications. A grant funding decision is expected in Summer 2024, however it is not clear at this stage if the election will delay any announcement.

In addition to any external grant secured the land disposal is also anticipated to generate a capital land receipt. This is supported by preliminary viability appraisals, though will be subject to market conditions and any abnormal costs.

6.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

6.1 **Children & Young People in Halton**

Kingsway Quarter will include good quality housing to enable children, young people and families to thrive.

6.2 **Employment, Learning & Skills in Halton**

Riverside College are intended to be a key partner in this project, sitting across the road from the site. The College (and its students) will not only benefit from a safer and more attractive link to the town centre they will also be integral to achieving its social value outcomes through embedded construction skills and apprenticeship/training requirements within the land disposal.

6.3 **A Healthy Halton**

The vision for a new intergenerational neighbourhood seeks to integrate health and wellbeing outcomes within the DNA of the scheme design. This includes accommodation for older people and desire to tackle social isolation and promote a sense of community.

6.4 **A Safer Halton**

By seeking to increase footfall and activity within Widnes Town Centre and bringing back into productive use vacant land to increase natural surveillance.

6.5 **Halton's Urban Renewal**

The Kingsway Quarter will contribute to the regeneration of Widnes Town Centre and will utilise vacant brownfield land to deliver more homes.

7.0 **RISK ANALYSIS**

7.1 Capital Project risks, such as project overrun and inflationary pressures will be managed by the Council's Property Capital Project Team. Financial risks associated with the capital project will be managed as part of the Council's overall treasury and risk management activity.

8.0 **EQUALITY AND DIVERSITY ISSUES**

8.1 There are none.

9.0 **CLIMATE CHANGE IMPLICATIONS**

9.1 The site is in Widnes Town Centre and will support a housing offer which gives residents choice to live more environmentally friendly and sustainable lives. The Kingsway Quarter is brought forward to contribute to the Council's Climate Change Action Plan (2022-2027). In the Homes and Regeneration Theme, the following action is identified:

H2 - Develop a strategy to accelerate delivery of Net Zero new build homes within the Borough ahead of UK Government targets and introduction of new Future Homes Standards, including use of Council land to deliver a demonstration project.

9.2 Within the Action Plan Update three candidate sites for potential inclusion of a net zero demonstration project are identified: Rutland Street, Runcorn Old Town, Priory Meadow, Castlefields and Kingsway, Widnes. In implementing policy H2, the following requirements, subject to viability, will be sought within the Development Framework and site disposal: "A minimum of 10% of housing units will be built to the "Net Zero Carbon – Operational Energy Standard". This is nationally recognised best practice standard and is defined by the Good Homes Alliance and UK Green Building Council.

9.3 As the first planned net zero housing demonstration project in Widnes, opportunities for local engagement with the community, schools and specifically Riverside College will be sought as part of the delivery of the scheme.

9.4 One opportunity for realising the net zero carbon commitments for Kingsway Quarter is connecting the development into the Council's Smart Micro Grid.

The Council is currently undertaking a technical study for upgrading and extending the micro grid into a Smart Energy Network. Initial advice from the consultants undertaking this study is that it would be feasible to connect the Kingsway Quarter development into the micro grid. The inclusion of older persons' development would be beneficial, as this accommodation could be a single electrical connection and 'off-taker'.

10.0 REASON(S) FOR DECISION

The demolition work will result in significant expenditure by the Council.

11.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

For the demolition and site clearance to proceed as soon as the site is vacated, to ensure that the risk of ASB is minimised, HBC need to start commissioning work now. A key requirement is a bat survey which can only be carried out at specific times of the year when bats are active between May and September but ideally completed by end of August. Any delay risks ASB in the building following its decommissioning and ultimately a delay in the site being offered to market.

12.0 IMPLEMENTATION DATE

The bat survey work needs to be commissioned mid-july to ensure timescales are met.

13.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact Officer
Executive Board Report 19 September 2019, Leisure Centre at Moor Lane	Council Website	Director of Economy, Enterprise and Property
Executive Board Report 7 December 2023, Widnes Town Centre Vision	Council Website	Director of Economy, Enterprise and Property

Appendix A – Kingsway Quarter Approximate Site Boundary

