

Worcestershire County Council

Agenda

Cabinet

Thursday, 21 July 2022, 10.00 am
County Hall, Worcester

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DISCLOSING INTERESTS

There are now 2 types of interests:
'Disclosable pecuniary interests' and **'other disclosable interests'**

WHAT IS A 'DISCLOSABLE PECUNIARY INTEREST' (DPI)?

- Any **employment**, office, trade or vocation carried on for profit or gain
- **Sponsorship** by a 3rd party of your member or election expenses
- Any **contract** for goods, services or works between the Council and you, a firm where you are a partner/director, or company in which you hold shares
- Interests in **land** in Worcestershire (including licence to occupy for a month or longer)
- **Shares** etc (with either a total nominal value above £25,000 or 1% of the total issued share capital) in companies with a place of business or land in Worcestershire.

NB Your DPIs include the interests of your spouse/partner as well as you

WHAT MUST I DO WITH A DPI?

- **Register** it within 28 days and
- **Declare** it where you have a DPI in a matter at a particular meeting
 - you must **not participate** and you **must withdraw**.

NB It is a criminal offence to participate in matters in which you have a DPI

WHAT ABOUT 'OTHER DISCLOSABLE INTERESTS'?

- No need to register them but
- You must **declare** them at a particular meeting where:
You/your family/person or body with whom you are associated have a **pecuniary interest** in or **close connection** with the matter under discussion.

WHAT ABOUT MEMBERSHIP OF ANOTHER AUTHORITY OR PUBLIC BODY?

You will not normally even need to declare this as an interest. The only exception is where the conflict of interest is so significant it is seen as likely to prejudice your judgement of the public interest.

DO I HAVE TO WITHDRAW IF I HAVE A DISCLOSABLE INTEREST WHICH ISN'T A DPI?

Not normally. You must withdraw only if it:

- affects your **pecuniary interests OR** relates to a **planning or regulatory** matter
- **AND** it is seen as likely to **prejudice your judgement** of the public interest.

DON'T FORGET

- If you have a disclosable interest at a meeting you must **disclose both its existence and nature** – 'as noted/recorded' is insufficient
- **Declarations must relate to specific business** on the agenda
 - General scattergun declarations are not needed and achieve little
- Breaches of most of the **DPI provisions** are now **criminal offences** which may be referred to the police which can on conviction by a court lead to fines up to £5,000 and disqualification up to 5 years
- Formal **dispensation** in respect of interests can be sought in appropriate cases.

Cabinet

Thursday, 21 July 2022, 10.00 am, County Hall

Membership: Cllr Simon Geraghty (Chairman), Cllr Marc Bayliss, Cllr Adrian Hardman, Cllr Marcus Hart (Vice Chairman), Cllr Adam Kent, Cllr Karen May, Cllr Richard Morris, Cllr Tracey Onslow, Cllr Andy Roberts and Cllr Mike Rouse

Agenda

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1	Apologies and Declarations of Interest	
2	Public Participation Members of the public wishing to take part should notify the Assistant Director for Legal and Governance in writing or by e-mail indicating both the nature and content of their proposed participation no later than 9.00am on the working day before the meeting (in this case Wednesday 20 July). Further details are available on the Council's website. Enquiries can also be made through the telephone number/e-mail address listed on the website and in the agenda.	
3	Confirmation of the Minutes of the previous meeting The Minutes of the meeting of 1 July have been previously circulated.	
4	Worcestershire Safeguarding Children Partnership Annual report 2020/21	1 - 6
5	Malvern Hills Art College	7 - 14
6	Shrub Hill Quarter	15 - 24

Agenda produced and published by Abraham Ezekiel, Assistant Director for Legal and Governance, County Hall, Spetchley Road, Worcester WR5 2NP

To obtain further information or a copy of this agenda contact Sheena Jones, Democratic Governance and Scrutiny Manager on Worcester (01905) 846011 or email: sjones19@worcestershire.gov.uk or DemocraticServices@worcestershire.gov.uk

All the above reports and supporting information can be accessed via the Council's website.

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NOTES

- **Webcasting**

Members of the Cabinet are reminded that meetings of the Cabinet are Webcast on the Internet and will be stored electronically and accessible through the Council's Website. Members of the public are informed that if they attend this meeting their images and speech may be captured by the recording equipment used for the Webcast and may also be stored electronically and accessible through the Council's Website.

CABINET
21 JULY 2022**WORCESTERSHIRE SAFEGUARDING CHILDREN**
PARTNERSHIP ANNUAL REPORT 2020-2021

Relevant Cabinet Member

Councillor A C Roberts

Relevant Chief Officer

Director of Children's Services and Chief Executive of Worcestershire Children First

Recommendation

- 1. The Cabinet Member with Responsibility for Children and Families recommends that Cabinet:**
 - (a) receives the Worcestershire Safeguarding Children Partnership Annual Report 2020/21; and**
 - (b) notes the progress of the work of the Worcestershire Safeguarding Children Partnership.**

Background

2. The Children and Social Work Act 2017 places a responsibility on the three safeguarding partners in each local authority area, these being the local authority, the local clinical commissioning group and the chief officer of police, to make arrangements to work together to safeguard and promote the welfare of all children in their area. Within Worcestershire the three safeguarding partners are supported in fulfilling this responsibility through the Worcestershire Safeguarding Children Partnership (WSCP).
3. The three safeguarding partners are also required to publish a report at least once in every 12-month period detailing their progress. This report should include an update on a number of areas as set out in Chapter 3 of Working Together to Safeguard Children (July 2018) including how effective the arrangements have been in practice, evidence of the impact of the work of the safeguarding partners and relevant agencies on outcomes for children and families from early help to looked-after children and care leavers, an analysis of where further progress still needs to be made and ways in which the partners have sought and utilised feedback from children and families to inform their work and influence service provision.
4. The report is made publicly available through publication on the Partnership website. In addition, it will be subject of scrutiny within both the NHS Herefordshire and Worcestershire Clinical Commissioning Group and West Mercia Police and

shared with all other relevant partner agencies. There is also a statutory requirement to share this report with both the National Child Safeguarding Practice Review Panel and the What Works Centre for Children's Social Care.

5. This is the second annual report published by the Worcestershire Safeguarding Children Partnership since it replaced the Worcestershire Safeguarding Children Board on 30th September 2019.

Key points from the WSCP Annual Report 2019/2020

Partnership arrangements

6. Strategic decision making for the Worcestershire Safeguarding Children Partnership (WSCP) takes place within the Executive meeting. The Executive is a small group made up of the safeguarding partner representatives and chairs of the sub-groups and meets regularly to ensure prompt responses to emerging themes. These meetings are independently chaired. The WSCP Executive also provides the forum for escalation and joint problem solving, for example when Police identified a backlog of referrals within their Harm Assessment Unit, senior partners were able to discuss the current position and the potential impact on other partners and areas of business, offer support and gain reassurance. Similarly, the Executive facilitated a joint problem solving approach to an escalation from Health colleagues in relation to an aspect of information sharing.

7. During this reporting year there have been a number of national and local developments to which the Worcestershire Safeguarding Children Partnership (WSCP) has responded. In May 2021 Sir Alan Wood published his follow up report on the new multi-agency child safeguarding arrangements. As a result of this report the WSCP Executive have agreed to develop high-level indicators for children's safety within Worcestershire, beyond the current management information we gather. Further, the Executive Group has identified a need to strengthen links with other local partnerships to better understand issues being identified in relation to the safety of children and young people within Worcestershire, and their responses.

8. In July 2021 Worcestershire Children First received an Ofsted visit, in line with the inspection of local authority children's services (ILACS) framework. Worcestershire Children First were praised for the improvements shown in Children's Services, and particularly the strong progress in improving the quality of practice for children and families in receipt of services at its 'Family Front Door'. Ofsted further noted that "*The local authority and wider partnership have planned and delivered a well-coordinated and effective response to the pandemic*". An example of this was the Safeguarding Babies Programme, led by Worcestershire Children First and supported by the Worcestershire Safeguarding Children Partnership, which was introduced in response to national concerns about the increased risk to babies during the Covid period.

GET SAFE

9. During this reporting period the GET SAFE Partnership Group has completed a problem profile of Child Exploitation in Worcestershire, the findings of which will be used to support the effective use of resources, commissioning of services and inform

multi-agency training. It has also been used to develop an action plan to build upon the work done during 2019 and 2020 to introduce the GET SAFE approach in Worcestershire. We are seeing the growth of a network of services that support children and young people at risk of exploitation. The West Mercia Police and Crime Commissioner supported CLIMB service, local Community Safety Partnership provision for young people, supported by third sector agencies and charities and early help offers within schools and colleges are all contributing to keeping children and young people in Worcestershire safe from exploitation. During 2021 guidance has been developed for professionals working with GET SAFE risks and/or vulnerability for young people aged 16-25 years, so bridging that period into adulthood. Young people from local youth groups in Worcestershire have also been engaged on the design and development of this 16-25-year agenda, the accompanying guidance and the new GET THERE website: [Get There | Worcestershire County Council](#). GET THERE is an important development in the Worcestershire response to exploitation of young people within this age group to reduce an area of vulnerability which has been long recognised nationally.

Quality Assurance Practice and Procedures Group (QAPP)

10. The WSCP Quality Assurance Practice and Procedures (QAPP) Group has worked extensively to ensure that the Levels of Need Guidance is well understood and properly applied by all agencies prior to any referral, and that the multi-agency child protection processes that support the Family Front Door functions are of a high quality, and this will remain a priority for the group. This group also uses a range of performance indicators to understand the quality of multi-agency practice as the child or young person's case continues through the child protection system and has completed various targeted multi-agency audits to support that understanding and promote learning across the partnership. This work was recognised by Ofsted inspectors, who noted that *"Leaders have established a positive culture of commitment to continuous improvement across this service area, supported by particularly strong quality assurance arrangements."* The QAPP Group has also developed and used an on-line feedback form to capture the experience of families who have received a service from partners, completed an audit of safeguarding arrangements within individual agencies working with children and young people across Worcestershire, and supported the Child Safeguarding Practice Review Group in embedding learning from reviews into multi-agency practice.

Child Safeguarding Practice Review (CSPR) Group

11. This year the Child Safeguarding Practice Review (CSPR) Group has conducted three rapid reviews of serious cases which have resulted in the commissioning of two child safeguarding practice reviews. These reviews are ongoing. The CSPR Group has also implemented learning from previous serious case reviews and child safeguarding practice reviews, details of which are provided in the main report. In September 2021 the National Review Panel published a report entitled 'The Myth of Invisible Men' which set out the findings from its thematic review on safeguarding children under one from non-accidental injury caused by male carers. As national learning, the local response is being supported by the CSPR Group and will form part of a wider 'Keep Me Safe' strategy.

12. The partnership has published one Child Safeguarding Practice Review during this period. This review, published in April 2021, related to the tragic death of a 17

year old child 'Sarah'. Full details of that review and of the Worcestershire Safeguarding Children Partnership response to the findings can be found here: [CSPR-Sarah.pdf \(safeguardingworcestershire.org.uk\)](https://www.safeguardingworcestershire.org.uk/CSPR-Sarah.pdf)

Head Teachers Education Safeguarding Steering Group

13. The Education Head Teacher Safeguarding Steering Group has supported the links between education settings and the Worcestershire Family Front Door, the development of the yearly audit of safeguarding arrangements in schools, the development of Worcestershire early help processes and their relationship to the work of schools and early help services (which attracted positive feedback from Ofsted), the monitoring of developments in relation to Elective Home Education across the county and any impact of Covid on this, and the development of a safeguarding training pathway and audit for early years settings. In May 2021 Worcestershire was one of the areas visited by Ofsted as part of their rapid review of sexual violence and sexual harassment in schools and colleges, prompted by the 'Everyone's Invited' website. The group has supported a comprehensive response to the findings of this review, details of which are provided within the main report.

Conclusion

14. With the ongoing national focus on the safeguarding of children and young people, and the recently published national reviews into both individual safeguarding incidents and overall structures and approaches (HM Government commissioned independent review of children's social care and the national review into the murders of Arthur Labinjo-Hughes and Star Hobson being two examples) the next twelve months will see a particular emphasis on the work of child safeguarding partnerships. Worcestershire Safeguarding Children Partnership will need to ensure that all agencies continue to work together to develop our multi-agency child safeguarding arrangements, and to ensure we use the learning from these various reviews to strengthen the way in which we safeguard and protect children and young people. Further, we need to focus on those arrangements continuing to work effectively and remain connected as individual agencies embed these national changes and learning within their own services.

Overview and Scrutiny

15. The Worcestershire Safeguarding Children Partnership Annual Report was considered by the Children and Families Overview and Scrutiny Panel on Tuesday 10th May 2022. There were no recommendations made following this meeting.

Legal, Financial and HR Implications

16. There are no specific legal, financial or HR implications associated with this report. Details of the Worcestershire Safeguarding Children Partnership budget for 2020/2021 are included within the report at Appendix A.

Risk Implications

17. Not applicable

Joint Equality, Public Health, Data Protection and Sustainability Impact Assessments

Not required in relation to this report.

Supporting Information

Appendix 1 - Worcestershire Safeguarding Children Partnership Annual Report 2020/21

Report also available via the following link: [Worcestershire Safeguarding Children Partnership Annual Report 2020 - 2021 \(safeguardingworcestershire.org.uk\)](https://safeguardingworcestershire.org.uk/Worcestershire-Safeguarding-Children-Partnership-Annual-Report-2020-2021)

Contact Points

Specific Contact Points for this report

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Background Papers

In the opinion of the proper officer (in this case the Director of Children's Services) there are no background papers relating to the subject matter of this report.

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CABINET
21 JULY 2022**MALVERN HILLS ART COLLEGE**

Relevant Cabinet Member

Cllr Marc Bayliss

Relevant Chief Officer

Strategic Director of Economy and Environment

Local Member

Councillor Beverly Nielsen

Recommendation**1. The Cabinet Member with Responsibility for Economy Infrastructure and Skills recommends that Cabinet:**

- (a) Allocates £0.4 million from the Open for Business reserve as a grant to a third party, Malvern Hills Arts & Community College Limited, in order to enable that Company to purchase the Malvern Hills Community College site on condition that the limited company provides an arts skills programme from the site to meet the need of the community. Funding will be committed in partnership with Malvern Hills District Council and an external funder;**
- (b) Authorises the Strategic Director of Commercial and Change in consultation with the Cabinet Member of Economy Infrastructure and Skills to negotiate and agree security on the property with the other funders in order that the Council is able to reclaim any (or part) of the County Council's investment, should the Malvern Hills Arts & Community College enterprise not be delivered or ceases delivery at a future point; and**
- (c) Authorises the Strategic Director of Commercial and Change in consultation with the Cabinet Member of Economy Infrastructure and Skills to agree Heads of Terms with the partners engaged in purchasing the site and building.**

Why are these decisions important?

2. A skills shortage has been identified in Malvern for arts that will enable the local community to build, and support the Council's corporate plan objectives, employment and well-being. It is important that these decisions are made now to progress the project to enable the Malvern Hills Arts & Community College Limited, as an external party, to negotiate with Warwickshire College Group for the sale of the College site. It provides certainty that the funding partners, of which Worcestershire County Council would be one of three (including Malvern Hills District Council and the Bransford Trust) enable the reopening of the College. Discussions with the Warwickshire College Group are progressing with the Draft Heads of Terms being the next step to agreement.

Background

3. In November 2020, Warwickshire College Group wrote out to all stakeholders that following a review of activity of the organisation following the pandemic, the Corporation Board of the College had concluded that the structure of delivery would change, while preserving provision for students, wherever possible.

4. After the March 2020 pandemic first lockdown Malvern Hills College did not reopen in September 2020, unlike other educational establishments. This was based on the demographics of the students in the full cost recovery courses and the small number of Government funded students who had applied to Malvern Hills College to study at the college from September 2020.

5. The College has a long history in Malvern, which dates back to 1886. In the past it has been in operation and ownership of Worcestershire County Council and Malvern Hills District Council. When transferring the building to Evesham and Malvern Hills Further Education College Corporation in 2008, the former Further Education Establishment before the merger to create South Worcestershire College and the subsequent merger with Warwickshire College Group, Malvern Hills District Council placed a covenant on the building restricting its use to further and higher education, training and ancillary educational purposes. As a matter of general policy, provision of this sort is delivered by the market. The Council has a duty to ensure sufficiency of provision, but it is not considered that the Council has a specific 'duty' to ensure that the College remains in operation. However, the Council has powers under the General Power of Competence in the Localism Act 2011 to provide support.

6. There are certain conditions under which a change of use is considered acceptable under the covenant.

- a) that the Learning and Skills Council (or any successor in function) has properly determined that there is no longer a functional need for a college in Malvern; or
- b) that the further and higher education and training provided at the college has been relocated to an alternative site within or adjacent to Malvern (as approved by Malvern Hills District Council)

7. Following a change of use, a 50/50 clawback following any uplift in the value of the buildings is anticipated between Malvern Hills District Council, as the covenant's originator, and the owner at the time. The covenant also states that prior to any future sale of the College, Malvern Hills District Council must be informed to ensure continuation of the covenant. This overage provides a degree of cover to Worcestershire County Council should the Community College company fail, there could be an opportunity to reclaim investment behind Warwickshire College Group, the Bransford Trust and Malvern Hills District Council.

8. Following Warwickshire College Group's closure of the College, a local campaign group, 'SOS Malvern College', have come together to explore the re-opening of the College to deliver a predominately arts based, fully costed, adult led offer for Malvern residents and individuals across the Worcestershire and indeed in the neighbouring counties.

9. The Campaign Group is established and has presented detailed proposals to key funders that they think are worthy of financial support to retain an arts and creative educational presence in Malvern.

10. Malvern Hills District Council, Worcestershire County Council and the Bransford Trust have been approached to pledge financial contributions to the College which are essential to their plans in the short term. Discussions between the Warwickshire College Group and the three main stakeholders have been ongoing for approximately 12 months.

11. Other local Further and Higher institutions have been approached to operate the College, but none have taken this opportunity to increase their estate and provision in Malvern due to financial and operational matters within these institutions.

Malvern Hills ARTS and Community College Limited

12. From the Campaign group to save the College, a new Company has been established which has former managers and staff from the site included in its management team. A Board of mixed experience and representation will be recruited to provide strategic guidance and overview of the College. Discussions are ongoing about whether Worcestershire County Council would be represented on the Company Board. The view of Cabinet is that this would be best served as a voting member, and discussions will be had with the Company regards this. If this a position was taken up it is strongly advised that the key competence looked for in the Board representative from the Council would be financial and/or educational skills to protect the security of the Council's investment.

13. Progress to date

The following activities have been completed or are underway:

- a. Discussions with the Warwickshire College Group and draft Heads of Terms have been drawn up;
- b. Agreed a purchase price for the building as part of the Heads of Terms with WCG;
- c. Building surveys completed by the Bransford Trust;
- d. Business Plan with financial forecasts cover best, worse and expected cases;
- e. Governance and Shadow Board arrangements agreed;
- f. A Friends of Malvern Arts & Community College group established to bring in community funding and volunteer support;
- g. A review of the curriculum to bring in other commercial revenue for activities and facilities on site;
- h. Identification of new commercial activity to support the emerging business plan and financial plan.

14. The new College operation will not initially be a provider of government funded courses. Instead, its delivery will be a commercially targeted enterprise for adults. It would also not be subject to financial regime of a Further educational institution or the quality and inspection standards such as Ofsted. Clearly it would have to operate within Health and Safety and other applicable legislation.

15. The new operation has committed to benchmark against similar Community Colleges which operate such as Heatherley School of Fine Art, West Dean Arts College and other examples across the country.

Independent Review

16. Worcestershire Council requested that Worcestershire Local Enterprise Partnership (WLEP) commission an independent review of the business plan and financial plan for the new College. This concluded that the College have presented a series of ideas and proposals to accompany a business plan that warrants support and specific financial contributions in line with the previous sums that have been discussed with the College.

17. This was based on the fact that the core offer is developed from the most successful and well-established curriculum area of the former College. However, there is a commitment to refreshing and expanding the offer to make it more relevant to students and market demand.

18. Also, the report highlighted a recommendation within the new College team to become more commercial and raising income from non-education activities. Finally, there is collective enthusiasm, expertise and networks to make the College's ambitions and plans a reality. The Company is actively working on WLEP recommendations and a County Council Board Director would help secure the Council's investment.

Delivery Timescales

19. Subject to the conclusion of the activities outlined above, the following timetable is currently proposed:

- a) Approval of funders through decision making process expected to be complete August 2022
- b) Sale agreed with WCG Autumn 2022.
- c) Malvern Hills Arts and Community College opens in March 2023.

Legal, Financial and HR Implications

20. Legal issues and risks are outlined in this report (e.g. subsidy control). There will need to be appropriate legal agreements in place to deliver the funding, clawback events and security.

21. The Council would be providing a grant to the Malvern Hills ARTS & Community College Limited as part funding to purchase the building. Whilst the building would be owned by the Company the Bransford Trust, Worcestershire County Council, along with Malvern Hills District Council would take a charge against the building if the delivery of an Arts and Community College were not to be set up or to cease at a future date.

22. The early draft Heads of Terms discussed with the Warwickshire College Group identify that the Group would insist on 100% overage on the site if it were sold for another purpose within five years tapering to a reduced amount each year over the next five years. There is also a covenant dictating recovery of proceeds of overage to Malvern Hills District Council. Despite this based on independent valuation of the land, it is reasonable to assume that the County Council would be able to recover all or the majority of the grant if a skills provision was not provided from the site at any point and the site disposed of, subject to risks outlined below. The costs incurred with any disposal or recovery process may be additional costs if this were to arise and would need to be funded at that point but are likely to be immaterial to the deal.

23. The Heads of Terms must make clear that future liability for the site rest with the owner of the building and the County Council's costs for this proposal are fixed per the recommendations of this report. We understand any potential further funding required would be sought by the Company from either charitable sources or borrowing and not the County Council.

Risk Implications

24. Risk to delivery and consequences are as follows:

- The Covenant. There needs to be clarity from the Malvern Hills District Council legal advice on the strength of the Covenant. If there is demonstrable support from key potential funders this will indirectly strengthen the details of the covenant. Warwickshire College Group are challenging the need for Further, Higher and Education on the site. If this is successful challenged the Malvern Hills Arts And Community College would look to find another location, as the redevelopment value of the site would increase if freed from the user restriction.
- There is a business plan in place as developed by the College and this has been reviewed by WLEP. The finance projections assessed as produced by the Malvern Hills Arts & Community College do identify a number of financial risks as well as opportunities that will need to be managed by the Group in order to maintain financial sustainability and delivery. However, it has to be recognised that this a commercial venture and it is possible that the venture will not succeed. Members should note the following areas which could affect the viability of the college:
 - staffing level being insufficient to deliver the service
 - property maintenance costs rising
 - property compliance specialist e.g. H&S costs
 - Income requirement not being achieved (the student requirement is steep and a need for income from other sources)
 - Equipment costs rising
- If the College were unable to start trading or cease trading then the Council's investment risk is protected by its charge on the building. Although, the proposal is that The Bransford Trust will take priority (£600,000) before the two Councils - Worcestershire and Malvern Hills District Council second priority (£400,000 each). The total contributions exceed the value of the property (£1.2M), and there may be other prior claims (e.g. tax liability). Accordingly, there is a risk that the Council may not recover its full £400,000. The Council's risk in this case is also greater than another funder, but the risk is that the recovery is reduced due to other preferential claims such as from HMRC, which again is why a Board Director representee is helpful to focus on the Company's viability.
- Security of funding may constrain the College's ability to raise other funding but it is necessary to protect the public investment as far as is possible, and we understand that the charitable partner involved in this partnership is prepared to place a great sum in to the College maintenance if the sale is able to progress.
- Implementation of the project will need to accord with the notification requirements of the emerging Subsidy Control regime.

Joint Equality, Public Health, Data Protection and Sustainability Impact Assessments

25. No impacts have been identified

Supporting Information

- None

Contact Points

Specific Contact Points for this report

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Background Papers

In the opinion of the proper officer (in this case the Strategic Director for Economy and Infrastructure) the following are the background papers relating to the subject matter of this report:

Worcestershire LEP Commissioned Independent Review of the Business Plan

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CABINET
21 JULY 2022**SHRUB HILL QUARTER**

Relevant Cabinet Member

Cllr Marc Bayliss, CMR for Economy Infrastructure and Skills

Relevant Chief Officer

Strategic Director for Economy Infrastructure and Skills

Local Members

Cllr Lynn Denham (Rainbow Hill)

Cllr Allah Ditta (Nunnery)

Recommendations

1. **The Cabinet Member with Responsibility for Economy Infrastructure and Skills recommends that Cabinet:**
 - a) **notes**
 - i. **progress since the last report on the acquisition and ongoing management of Shrub Hill Industrial Estate (SHIE) pursuant to the Gamechanger 2 initiative;**
 - ii. **progress with master planning and preparation of a development vision of a Gamechanger 2 Site;**
 - iii. **the support given to Worcester City Council on their Towns Fund Business Case proposal;**
 - iv. **the award of a Brownfield Land Release Fund (BLRF) grant and the obligations of that funding; and**
 - v. **the preparation of a Levelling Up Fund bid for the adjacent transport node, Shrub Hill Station.**
 - b) **authorises the Strategic Director for Economy Infrastructure and Skills and subject to the express approval of the CMR for Economy Infrastructure and Skills**
 - i. **to let contracts to undertake works on Unit 16 of the SHIE in accordance with the BLRF grant and following due process of vacation of the site;**
 - ii. **to engage consultant/s to advise on the services that are required as set out in the report, funded from the Strategic Infrastructure reserve;**
 - iii. **to undertake a market engagement exercise to understand the options for the packaging and phasing of works in order to**

optimise the conditions attached to any grants and to maximise any income; and

- iv. **receives a further report, following the undertaking of the market testing, on the proposals for development of SHIE.**

Why are these decisions important?

2. It is important these decisions are made now in order to provide a update further to the previous Cabinet item of November 2020, and to enable specific pieces of work to be progressed.

Background

3. On 19 November 2020 Worcestershire County Council's Cabinet provided the mandate to the purchase of interests in Gamechanger 2 Sites within the Parameters as set out in the report (topographical, legal, value and financial). These purchases to be funded through the increase in the Capital Programme approved by Council on 12 November 2020.

4. Worcestershire County Council (WCC) purchased 3.93 hectares of land in two parcels, known as the Shrub Hill Industrial Estate (SHIE), on 30 November 2020. SHIE was purchased as a Gamechanger 2 Site in line with the mandate provided by Cabinet in November 2020 (Land Acquisition Cabinet Item).

5. The November 2020 Land Acquisition Cabinet Item required officers, on completion of a Gamechanger 2 Site acquisition, to work with interested parties to develop a shared development vision. The paper proposed that the vision would be used to produce a development specification and will serve as the basis for seeking governance approvals to proceed to the next step of inviting developer interest, the promotion to the developer market and potential funding bids for external grant.

6. The Shrub Hill Quarter is located in the heart of Worcester City Centre and covers an area of c.20 hectares. The Shrub Hill Quarter in Worcester is a long-undervalued area with significant untapped potential. The area is described as follows:

- a) **Shrub Hill Quarter Boundary-** Which includes all the buildings, retail outlets and business within this rectangular shaped area which runs all along the back of Shrub Hill Station and its train tracks, along Sheriff Street. All the way down to the crossroads to Tolladine Road. Turn left onto Tolladine Road towards the City centre and along Lowesmoor Place. Turn left on Pheasant Street and follow road to the roundabout. Turn left at the roundabout and follow George Street & Tallow Hill until you are back at the Shrub Hill Train Station;
- b) **Shrub Hill Industrial Estate,** WCC Acquired land- which includes both sides of Shrub Hill Industrial Estate, which has the B4205 road running through it from east to west;
- c) **Station Project-** which includes Shrub Hill Train Station & rail tracks, Entrance to Station, Elgar House, the NHS Annex and Network Rail carpark and station car park.

- d) **Brownfield Site**- which includes Unit 16 and Car park which is located by the canal, in the southern bottom end of the industrial estate.

Image 1: an aerial shot of Shrub Hill Quarter



7. Worcestershire County Council secured £850,000 Getting Building Funding through the Worcestershire Local Enterprise Partnership in 2020 for the early strategic land assembly and masterplan development.

8. A joint working group was established in June 2021 in accordance with the proposed course of action within the Land Acquisition Cabinet item. The Shrub Hill Quarter Steering Committee is made up of representatives from Worcestershire County Council, Worcester City Council and Worcestershire Local Enterprise Partnership. The Steering Committee is chaired by the Leader of Worcestershire County Council Worcester City Council is represented by its Leader.

9. The Steering Committee approved a 2021/22 Business Plan including the appointment of professional advisors and the development of a Spatial Blueprint and Vision for the Quarter to guide future development.

10. The Spatial Blueprint identified the following areas of the Shrub Hill Quarter as key Activation Areas:

- a) The **Cromwell link** is a very important connection in the blueprint masterplan and key to its successful implementation. The aim is to establish this new route linking the Town Centre and Station, via the heart of the new Shrub Hill development, enhancing the site's existing assets;
- b) The **Canal** is a unique asset currently overlooked that needs to be showcased and celebrated, both in terms of historic and local significance but also in terms of sustainability, wellbeing and ecology;
- c) **Engine Works (EW)** is the key heritage asset and 'attractor' building on the Shrub Hill site. The success of its redevelopment is key to the success of the wider masterplan. The ultimate goal is to establish EW as an impressive heritage asset integrated within Worcester, and for the building to be fully refurbished with more ambitious uses;

- d) **Shrub Hill Station** to improve the sense of arrival and celebrate the station's Grade II listed status and its rich railway heritage linking to the wider Shrub Hill area.

11. The County Council supported Worcester City Council in the development of the "Shrub Hill Regeneration" Business Case of their Town Investment Plan. The Business Case for this was approved by the City Council's Policy and Resources Committee on 24 May 2022.

12. Worcester City Council's Town Investment Plan proposes to allocate £10m of Towns Fund to the following projects within Shrub Hill:

- a) **Public Realm Enhancements** – 2,000m² of high-quality public realm following the line of Cromwell Street from Shrub Hill Road to Pheasant Street to provide a new connection between the Shrub Hill Railway Station and the Shrub Hill Regeneration area and onward to the city centre through St Martins Quarter;
- b) **Enterprise Centre (Isaac Maddox House)** – to create a 4,922m² Enterprise Centre providing quality and size of space in short supply in the city centre that will also act as a catalyst to business start-up and growth. The housing proposals to the rear of the site will complement the new environment along the canal corridor linked to the city centre by new public realm. Modest provision for parking will also be created to support the commercial and residential developments.

13. The County Council secured £985,000 Brownfield Land Release Fund (BLRF) grant for the release of land for housing. Authorities can bid for the grant for land that is brownfield and fully owned by the local authority. The funding must enable the release of the land for housing by end March 2024 or earlier. The grant relates to a stretch of the SHIE which sits alongside the Worcester and Birmingham canal shown in Image 1. The site was chosen because its location was deemed as attractive to residential developers, the current building provided no heritage value and the buildings adjacency to the Towns Fund scheme would further support the first phase of the regeneration of Shrub Hill Quarter.

14. The County Council continued to develop the Shrub Hill Station Masterplan feasibility in order to inform the phased development of Shrub Hill Station and support the submission of a Levelling Up Fund Transport bid.

15. The County Council supported Worcester City Council in the development of the "Engine Works, Shrub Hill" regeneration and heritage project proposal as part of their Levelling Up Fund Round 2 Bid. The City's Levelling Up Fund Round 2 Bid was approved by the City Council's Policy and Resources Committee on 04 July 2022.

16. The Shrub Hill Quarter Steering Committee recently undertook visits to Swindon and Bristol to see comparable projects in terms of building typography, building uses, public-sector delivery and transport connectivity. These precedents visits provide strong benchmarks and references for the development of the Shrub Hill Quarter.

17. On acquiring the SHIE, Property Services have commissioned additional surveys to further establish the condition of SHIE. Where there are matters of H&S they will be

dealt with in accordance with standard procedures. The surveys will be used to inform decision on phasing, funding bids and further WCC investments in the SHIE.

Phasing and Delivery

18. The regeneration of the Shrub Hill Quarter will require substantial investment over time. The acquisition of SHIE by WCC is an important first step in the unlocking long term economic potential of the Quarter. The regeneration of the Quarter is likely to require significant external grant/investment. External grants are likely to come with constraints or conditions that are required to be met and therefore consideration needs to be given as to how these can be maximised to support the redevelopment whilst also maximising any income within Local Authority ownership and control.

19. The phasing of the regeneration of Shrub Hill can follow different trajectories which are influenced by a number of factors. Activity to determine further packaging and phasing of works will take into account the level of control over the area by the project partners and the type and level of investment currently predicted, however it remains focussed on placemaking.

20. Phase 1 of Shrub Hill Quarter regeneration initially focuses on the main heritage assets on the Lower Yard and creating the new public realm link. This is broken down into the following project proposals:

- a) **public realm** to provide a new connection between the Shrub Hill Railway Station and the city centre funded through the City Council's Towns Fund grant;
- b) **Residential development** alongside the canal supported by the BLRF grant;
- c) Redevelopment of **Isaac Maddox House** supported by Worcester City's Towns Fund grant;
- d) Associated **public realm** within and around the above projects;
- e) Modest provision for **parking** will also be created to support the commercial and residential developments.

Image 2: a plan highlighting the area of Phase 1



21. Phase 1 consists of a number of different land components, investments and activations which when delivered in a coordinated and coherent manner which will form a substantial first phase of a revitalised Shrub Hill area. Phase 2 which would likely be made up of the LUF bids proposed for the Engine Shed and the Station.

22. Considering the different components of Phase 1 there is a need to consider the ongoing role of the Councils, Developers and Operators in delivering the constituent parts. It will be important to understand developer appetite to some or all of Phase 1.

23. Worcestershire County Council is seeking to undertake market engagement in relation to Phase 1 with the developer market ahead of a formal recommendation and potential procurement of a developer partner.

24. External commercial advice is required to support the evaluation of the market engagement, including undertaking an evaluation of delivery options, viability assessments, financial modelling and business case development. The cost of advisors would be funded from Strategic Infrastructure Reserve.

25. The resulting options appraisal will provide a recommendation to Cabinet on the best route for redevelopment of the first phase of Shrub Hill Quarter.

Overview and Scrutiny

26. This has not been considered by an O&S Panel or the Board

Legal, Financial and HR Implications

27. The County Council procured the site as part of its 2020/21 Capital Programme from borrowing. The case for the site procurement did identify a risk related to the rental income which worsened during COVID. This has resulted in a potential deficit on the site without regeneration. This is further complicated due to the age and condition of the site. Thus, it is vital that a vision and development take place, ideally with significant external grant/investment. Moving forward with development advisors will help assess affordability risk and mitigation strategies. The cost of advisors would be funded from the £2m Strategic Infrastructure Reserve.

28. The table overleaf identifies the funding that has been secured in support of the regeneration of the Shrub Hill quarter

Funding Source	Scope	Bidding Authority	Bid Value (capital)	Funding Secured/ announcement expected	Time Constraints	Conditions
Getting Building Fund	Business Case development and Land Acquisition	WCC	£850,000	Yes	31/03/2022	
Brownfield Land Release Fund	Unit 16 - demolition and remediation	WCC	£985,000	Yes	31/03/2024	land released for residential development (76 units)
Towns Fund	i) Enterprise Centre (IMH) ii) Public Realm (Pheasant St to Shrub Hill Road)	WoCC	£9,330,000	Summer 2022	31/03/2026	£5,000,000 match funding from SHIE acquisition
TOTAL SECURED FUNDING			£11,165,000			
Levelling Up Fund (Round 2)	Transport Bid: Shrub Hill Station Phase 1; Active Travel to Kempsey and Powick	WCC	£20,000,000	Autumn 2022	31/03/2026	10% match funding
Levelling Up Fund (Round 2)	culture/ regeneration bid: SHIE Engine Works	WoCC	£8,000,000	Autumn 2022	31/03/2026	10% match funding

TOTAL BIDS IN PROGRESS/AWAITING OUTCOME	£28,000,000	
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29. A further report will be brought back to Cabinet with further appraisal and advice aligned to options.

Risk Implications

30. Risk to delivery and consequences are as set out in the Cabinet report of 19 November 2020 relating to value for money/valuation, risk in current market, affordability/revenue and development viability.

Joint Equality, Public Health, Data Protection and Sustainability Impact Assessments

31. Joint Impact Assessment (JIA)'s will be completed on a project-by-project basis as sufficient details of the schemes emerge.

Supporting Information

- Appendix 1: Shrub Hill Quarter development timeline

Contact Points

Specific Contact Points for this report

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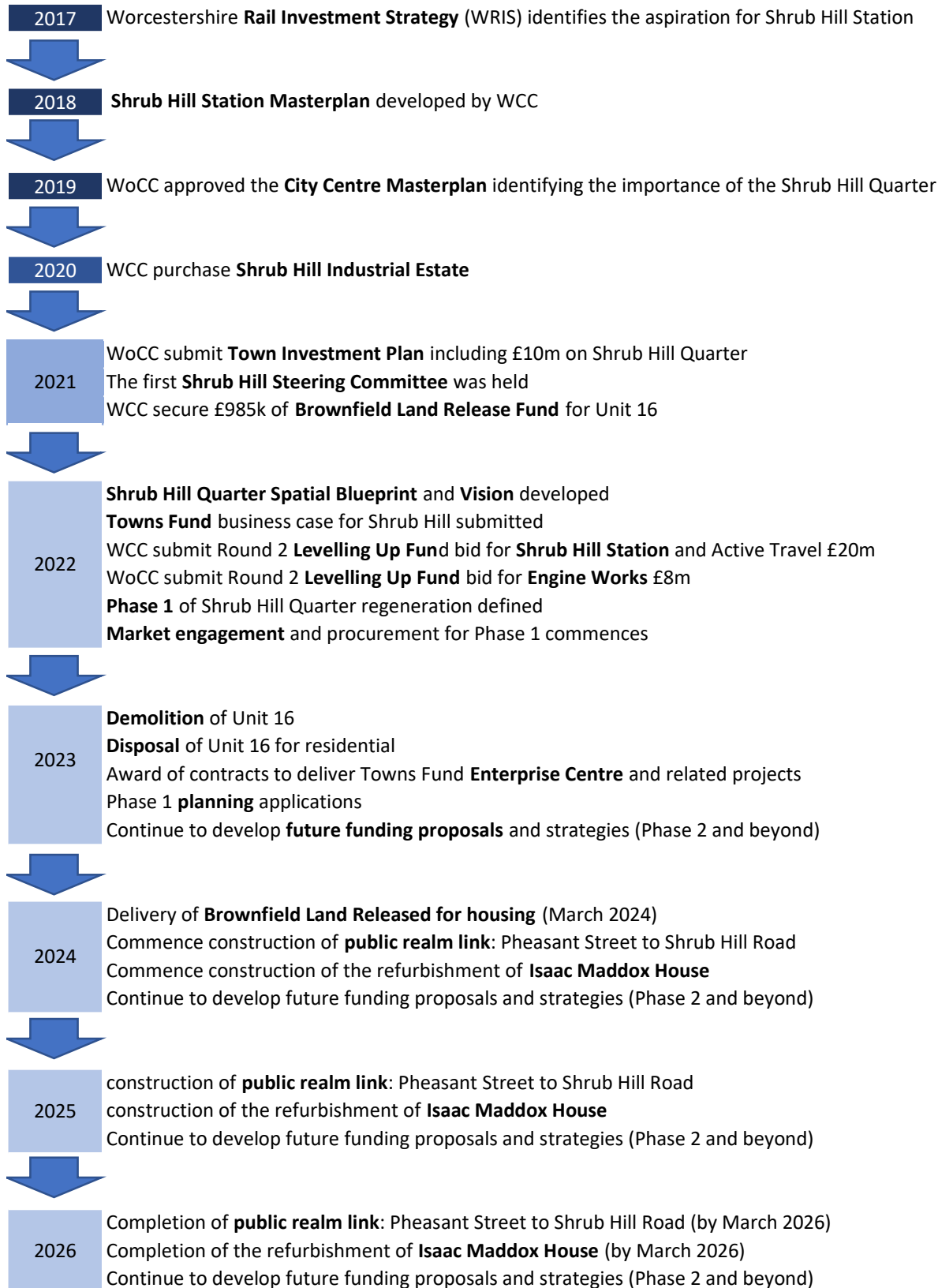
Background Papers

In the opinion of the proper officer (in this case the Strategic Director for Economy and Infrastructure) the following are the background papers relating to the subject matter of this report:

[Report on Land Acquisition to Cabinet 19 November 2020](#)

Shrub Hill Quarter, Worcester - high level timeline

Year Key Event or Milestone



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