

Agenda item:

Title of meetings: Cabinet
City Council

Date of meetings: 11th June 2015
7th July 2015

Subject: Development of Dunsbury Hill Farm

Report by: Owen Buckwell, Director of Property

Wards affected: None

Key decision: (over £250k) Yes

Full Council decision: Yes

1. Purpose of report

- 1.1 To seek approval to the aims of the Dunsbury Hill Farm (DHF) project and to delegate authority to develop Dunsbury Hill Farm in accordance with those aims.
- 1.2 This open covering report seeks to introduce the development aims and recommendations for progression of the project. The full report including its appendices contain exempt information within paragraph 3 part 1 of schedule 12a to the Local Government Act 1972.

2. Recommendations

- 2.1 The Cabinet agree the following recommendations:-
- 1) To approve the aims of the Dunsbury Hill Farm Project as set out in paragraph 3.1.
 - 2) Subject to City Council project governance arrangements and to financial appraisal(s) approved by the Director of Finance and Section 151 officer, authority is delegated to the Director of Property and Director of Finance and Section 151 Officer to:
 - i. Develop Dunsbury Hill Farm in pursuance of the approved aims.
 - ii. Determine the most appropriate route to market which could include either or a potential combination of the following:
 - Sale of the undeveloped site
 - Direct development of the site by PCC

- Entering a joint venture with an external organisation
 - iii. Apply for grants or resources to finance the Dunsbury Hill Farm development.
- 3) The Assistant Chief Executive (City Solicitor) and the Director of Finance and Section 151 Officer are authorised to enter into all legal and financial documentation required.

2.2 The Cabinet recommends to City Council that:-

- 1) Authority is delegated to the Director of Finance and Section 151 Officer in consultation with the Leader of the Council to:
- i. Borrow as required for the Dunsbury Hill Farm development subject to the financial appraisal demonstrating that any borrowing costs in aggregate can be met from either the additional income or an increase in market value arising.
 - ii. Amend the Corporate Capital Programme as required to reflect expenditure and financing for the Dunsbury Hill Farm development.

3. Aims of the Dunsbury Hill Farm project

3.1 The key aim of the Dunsbury Hill Farm project is to provide income for the authority, if possible via a long term revenue income stream. At a sub-regional level, the project, including the potential jobs it can deliver, forms a significant element of the wider growth agenda of the Solent Local Enterprise Partnership (LEP), and seeks to achieve the well-being outcomes of promoting social, economic, environmental outcomes for the Portsmouth and surrounding local authority area.

4. Background

4.1 Dunsbury Hill Farm shown edged red on the plan at Appendix 1 is located on undeveloped (freehold) land owned by the Council. It lies between Waterlooville and Leigh Park on the north western side of Havant Borough and has previously been declared surplus by the Council. Following a decision on 11th November 2014 ([Minute 102/14](#)) the Council is now committed to delivering the access road and has received external advice on the optimum route to deliver the wider development. There has been significant interest in the development of the site, and the Council is engaged in negotiations with one prospective tenant.

Planning Status

4.2 In March 2014 the City Council secured a hybrid planning permission (a mix between *detailed*, and *outline*) for the following:-

- a) A *detailed* consent, permitting the construction of a new link road with bus gate to Woolston Road, together with landscaping, infrastructure and associated works.
- b) *Outline* consent containing the following elements:
 - 61,779 square metres (sqm) of mixed use employment floor space, including an Enterprise Centre, limited by the following planning permission "use classes":
 - **40% B1** Business - Offices, research and development of products and processes, light industry appropriate in a residential area
 - **40% B2** General industrial
 - **20% B8** Storage or distribution
 - 5,574 sqm of hotel floor space

Provision of Access Road.

- 4.3 Following a competitive tender, the Council appointed contractors to finalise the road design and undertake its construction.
- 4.4 Road construction will commence in June and works are expected to take approximately 50 weeks to complete.
- 4.5 The road construction is fully funded via City Council capital resources and a Local Transport Board/Local Growth Deal fund grant.

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Signed by: Owen Buckwell, Director of Property

Appendices:
Appendix 1 Site Plan

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
Report to Cabinet and Council 11 November 2014	PCC website
Report to Cabinet 1-7-2013	PCC website

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by Cabinet on 11 June 2015.

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Signed by: [Leader of Portsmouth City Council]

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by the Leader of the City Council on 7 July 2015.

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Signed by: [Leader of Portsmouth City Council]