



The Winter Gardens

Partnership Business Plan

Status: Annual update
Prepared: April 2020

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Appendix A – Indicative development programme
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The year ahead

Following the grant of planning permission for The Winter Gardens in November 2018, BDC will continue progressing detailed design, contractor procurement with a target of achieving financial close and start of construction in late 2020 / early 2021.

Durley Road achieved a grant of planning permission at appeal and we are working up detailed design alongside contractor procurement with the objective to start construction in Q4 2020.

At Eden Glenn we are working up proposals for submission of a planning application in late 2020/early 2021. The proposal is for a residential-led development of 60-100 apartments which will be designed and priced as a first home.

The final quarter of the year will see the practical completion and handover of St Stephens Road. This scheme will deliver 44 apartments for private rent to BCP Council who will own and manage them, generating revenue for The Council and helping to support the provision of services to BCP residents.

2020 will see significant continued focus on the strategic sites at Cotlands and York Road car parks. The emerging proposals are for a scheme comprising a significant proportion of employment space alongside other uses, including residential, that will meet the Towns wider ambitions. BDC will also start considering proposals for Central car park and continue to evaluate the significant opportunity at Bath Road North and South car parks. We will start work on two new projects this year. The first will look at the Town Hall Annex site in Bournemouth, where we will look at proposals for a n office or residential-led scheme. The second, at Chapel Lane car park in Poole, will be for a residential-led scheme and help BCP Council deliver its ambitious targets for major investment in the town centre.

On all of our sites, we will strive for excellence in sustainable design and delivery of the Vision in Bournemouth Town Centre.



The Winter Gardens

Preface: Review of 2019

Since 2011, the Members have worked well together combining the resource and strengths of both organisations to achieve a number of important milestones, which will enable the LLP to drive forward delivery of the Town Centre Vision.

Since the last update, BDC has achieved the following milestones:

February 2019	BCP Council approved the Cotlands Road and York Road SDP enabling design work to commence on this ambitious employment and residential mixed use scheme.
November 2019	BCP approved the Winter Gardens reserved matters application enabling detailed design to continue.
January 2020	Planning Inspector approves grant of planning for 44 new homes at Durley Road.
February 2020	Successful Strategy Review agreeing priorities for the next 5 years.
February 2020	BCP Council approve funding of the new public MSCP at York Road. This will be the first phase of the delivery of the wider Cotlands Road masterplan.
2019 / 2020	Throughout the year we have continued to make good progress on the delivery of St Stephens Road where we are delivering 44 apartments for private rent for BCP Council

Financial summary 2019

The forecast draft financial statements of the Bournemouth Development Company LLP and its subsidiary's Leyton Mount Development LLP and Winter Gardens Development LLP show positive results for the year ending 31st December 2019. The consolidated profit for the period is £384k (2018: £490k) with retained earnings of £1.221m (2018: £854k). The group has net assets attributable to members of £11.304m (2018: £10.903m).

1 Introduction

1.1 2020 Partnership Business Plan

This is the Partnership Business Plan ('the Plan') for the operating year commencing April 2020, providing a rolling 5 year projection agreed by the LLP members, covering the strategic, operational business and governance framework of The Bournemouth Development Company Limited Liability Partnership ('the LLP').

The LLP is a joint venture between Bournemouth, Christchurch and Poole Council ('the Council') and Morgan Sindall Investments Limited ('MSIL'), through a wholly owned subsidiary of MSIL.

The LLP is an active development partner and regeneration catalyst for the delivery of the Bournemouth Town Centre Vision.

The Plan forms an overarching strategic framework, informing and integrating the individual Site Development Plans. As such, it serves as a management tool for the Council and the PSP ("the Members") and Representatives and provides strategic guidance in delivering Partnership Objectives (see section 1.2.2 below).

The Plan is updated annually by the Development Manager and presented to the LLP Board and Members for approval. It is also amended to reflect changes to existing, and adoption of new, Site Development Plans as agreed by the Members from time to time.

1.2 The strategic management objectives of BDC

The Plan is based on the premise that Members are committed to working in partnership to achieve the Partnership Objectives, informed by the aspirations and drivers underpinning the Bournemouth Town Centre Vision and the Council's regeneration objectives. It is only through active contribution, commitment and accountability from both Members and their representatives that meeting the Town Centre Vision aspirations will become reality.

1.2.1 BCP Corporate Strategy

We are aligning BDC activity to the BCP Corporate Strategy. This includes addressing each priority within the Corporate Strategy in relation to our developments.

Sustainable Environment includes adopting a Fabric First design approach, with appropriate air permeability to optimise energy consumption. Also, where possible, replacing decaying trees and planting a higher number of trees in replacement to help provide a sustainable development while providing employment for local labour and businesses during the pre-development, development and operation of the buildings long term.

Dynamic Places includes investment in safe, well-lit car parks using 21st century digital infrastructure along with creating active street frontage on developments such as Turtle Bay on the Citrus Building. Also creating vibrant town centre homes for a blend of residents while investing in homes for rent for local residents who are not ready to buy.

Connected Communities being created within developments with high amenity through shared facilities, gardens, cycle storage and open space. In addition setting out a blend of generational housing with rented homes, homes for sale and age friendly homes within a safe community of well maintained walkways and communal areas.

Brighter Futures includes providing site visits to share experience, education and learning for local schools and colleges as well as providing course material for AUB's architectural degree students.

Fulfilled Lives in creating a safe and happy environment, with easy access to the town centre, lower gardens and seafront for age friendly community development residents to live independent lives, while promoting active healthy lifestyles with the development of leisure space, cycle storage and public realm areas for public enjoyment.



1.2.2 Town Centre Vision objectives

The LLP acknowledges the aspirations and objectives of the Council in achieving regeneration outcomes. The Council's regeneration objectives ("the Programme Objectives") are as follows:

- increasing the number of people living and working in the town centre;
- retaining local businesses, attracting new and retaining graduates to build a more skilled and diverse workforce;
- improving the transport network to reduce peak congestion and carbon footprint;
- sustainable buildings with quality design in mixed use developments;
- improved public realm, landscaping and signposting to make the town better to navigate on foot;
- rejuvenating parts of town which have become tired such as Pier Approach and Westover Road;
- boosting retail by improving shopping streets; creating a better pedestrian environment with distinctive retail zones; positioning Bournemouth as a great place to visit and stay with an interesting and diverse shopping experience;
- promoting all weather cafe and food culture;

- creating new all-weather attractions for both visitors and residents;
- an exciting events programme to boost visitor appeal and place Bournemouth on the festival circuit; and
- balance an ambitious 20-year programme with a determination to create early momentum.

These Key Objectives are informed by the Vision as set out below:

- Bournemouth 2035: A chic urban coastal destination where thriving leisure and retail offer a rewarding place to live and a complete visitor experience. The town is characterised by alfresco dining, outside performance areas and defined shopping precincts offering high street, niche and top-quality boutiques. All-weather attractions and a thriving events programme ensure Bournemouth is always buzzing.
- Through the Vision the beach, gardens, shopping and business district are better linked as one graceful space with clear landscaping and signage.
- The Vision should give a greater priority to pedestrians and cyclists and encourages use of public transport to reduce congestion.
- Enhancing Bournemouth's green spaces is a key to this Vision. The flyover at Pier Approach will be removed or improved to improve links from the Gardens to the seafront. Some work will be carried out to thin out dense tree canopies and improve views and links between Westover Road and the Lower Gardens. This will be supported by improved lighting and landscaping. The Vision aims to reduce crime through quality design.
- Quality office space is created on the town centre fringes to enable high value employment. Affordable live-work units provide space for enterprising individuals to develop new business.
- The Vision strives for a less alcohol-driven night-time economy. A variety of entertainment, dancing and dining establishments and a thriving evening events programme will create a destination for all ages.
- New attractions will build on the success of Pavilion Dance Centre and promote other all-weather family facilities.
- Landscaping and signage is improved to enhance the street scene and create a more coherent town centre which is easier to navigate. Buildings of high architectural merit are maintained and new development will offer a mix of sympathetic and landmark buildings.
- The Vision builds on Bournemouth's credentials as a clean, green, environmentally aware resort. New developments will incorporate high standards of energy efficiency and minimise carbon output.
- The Vision also supports efforts to ensure customer service training is widely offered to businesses to ensure the town is always represented well, recognising that an individual's experience of a place is largely determined by the people they meet.

The Council is currently assessing The Vision.

1.2.3 Partnership objectives

The LLP itself has a number of Partnership Objectives in relation to the development of Bournemouth Town Centre. The Partnership Objectives are an integral part of the strategic management and operational business activity of the LLP and are set out in the Members' Agreement as summarised below:

The Objectives of the LLP in relation to the Area, any site and / or any Additional Site:-

- Regeneration Objectives
 - Maximise the full economic potential and kick start wider regeneration

- Improve Bournemouth’s competitiveness as a place to live, work, and shop
- Drive the demand for new homes and jobs in the town centre
- Create a vibrant, 24/7 residential and visitor community
- Create and improve access, signage, landscaping, road and public transport
- Design and Standards Objectives
 - Deliver development that is innovative in design and quality, and exemplar in terms of all aspects of sustainability, integrating social, economic and environmental goals
 - Deliver inclusive, diverse, high quality, safe public spaces and landscapes
 - Develop parts of the town centre with designated areas of distinct identity and with high quality public realm areas, providing a sense of arrival and place
 - Conserve and enhance the architectural style of the town as a historic public realm
 - Improve the public realm to make the town more pleasant to experience on foot
- Delivery Objectives
 - Bring forward development of the Sites and any further land identified in phases within a timescale which responds positively and quickly to market demand for commercial, residential and other development
 - Work in partnership with and in dialogue, consultation and engagement with the local communities, residents, stakeholders and the Council
- Commercial
 - Deliver an appropriate level of financial return to the Members
 - Capture profit through direct development rather than pure land transfer

The Area as defined in the Members Agreement to mean the AAP Boundary as indicated by the red line set out of the plan including the Sites and any additional sites as agreed between the Parties from time to time (which may for the avoidance of doubt fall outside the former Bournemouth administrative area and include the wider BCP area).

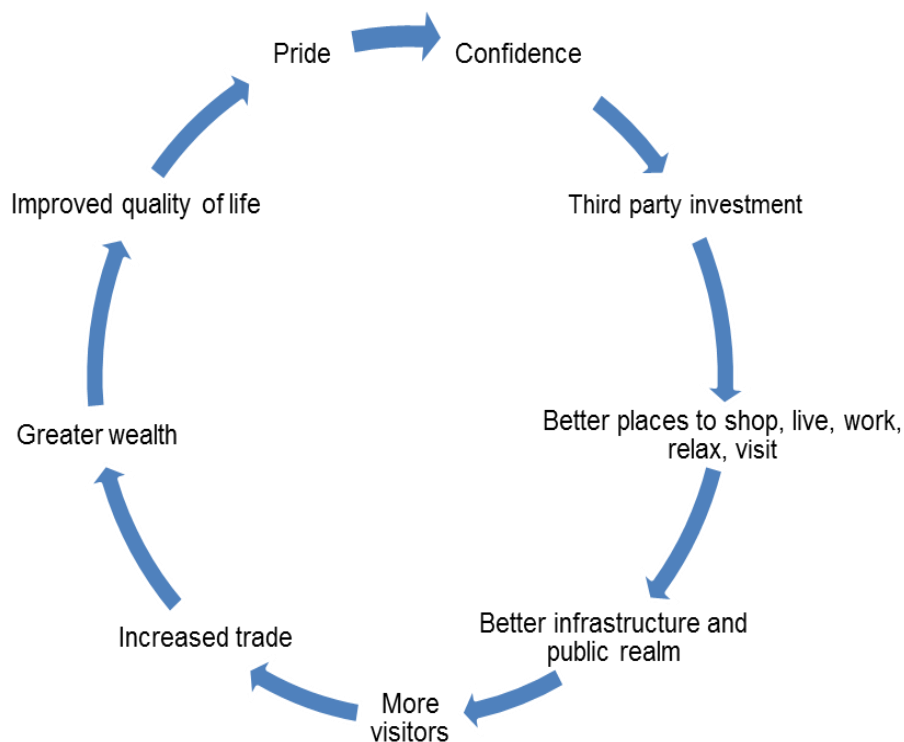
1.3 Economic benefits

The overriding aim of the LLP is to act as the delivery mechanism of the Town centre Vision, which will bring forward a broad spectrum of benefits to the Town.

Development of sites will generate capital receipts and revenue to BDC and the Council:

	BDC	Council
Land capital receipt		✓
Profit	✓	✓
New Homes bonus		✓
Long term revenue / credit enhancement		✓
Enhanced asset base (MRW SA)		✓
S106 and CIL contributions		✓
Domestic and non-domestic rates		✓
Public realm improvements		✓
Quality of design		✓
Provision of Infrastructure		✓

BDC will, through development and investment activity, aim to act as a catalyst for additional investment in the Town centre from other investors.



1.4 Operational Management

1.4.1 Delivery - human resourcing of the LLP

The principle human resource is the Development Management team, provided by MSIL as set out in the Development Management Agreement.

1.4.2 Delivery – working capital

In accordance with the Members' Agreement and agreed Site Development Plans, the PSP provides working capital to the LLP to fund the operation of the business.

1.4.3 Commercial

The LLP leverages the skills, capacity and delivery capability of its Members and the Development Manager to generate appropriate returns to its Members by active development and management of Council land. Where appropriate, strategies for risk transfer to 3rd parties are considered.

1.4.4 Best value

The LLP is committed to the delivery and creation of best value across all areas of its activity, including:

- Land transfer
- Development and supply chain services
- Provision of services to the LLP or its subsidiaries

This is in accordance with the Procurement Policy, set out in the Members' Agreement and the Market Valuation mechanism for sites transferred from the Council as set out in the Option Agreement.

1.4.5 Performance specification

In accordance with the Development Management Agreement, the LLP employs MSIL as Development Manager (DM) for the delivery of Development Management Services.

Throughout the business and development activity of the LLP, and that of the DM and supply chain partners, an ethos of collaborative working is encouraged and promoted, to enable:

- Development of close working relationships between parties, underpinning efficiencies in delivery and enhanced decision making
- Compliance with best practice principles and relevant Council Policies
- Delivery of efficient operational performance
- Identification of partnering challenges and remedial strategies
- Development of effective communication, transparency and sharing of best practice methodologies and solutions

1.4.6 Risk management

Effective risk identification and management is an essential and dynamic business process. The Partnership Board is responsible for identification, assessment and management of the key business risks facing the LLP.

A project Risk Register will be produced for each site. This provides an overarching risk management tool, consolidating risk management best practice that potentially arises at both LLP and at development subsidiary level. Further site specific risk analysis is undertaken as part of the Site Development Plan approval process.

1.4.7 Corporate governance

The Partnership Board is responsible for the strategic management and direction of the LLP and is accountable to the Members in accordance with the Members' Agreement. The Partnership Board has and will continue to adopt and implement best practise in the form of corporate governance and risk management.

2 Partnership structure

2.1 Principles

The LLP is structured on the principles of equal sharing of risk and reward by the Members, with parity between. At all times the Members need to meet their fiduciary duties to the LLP, and the Council needs to meet its statutory obligations to the electorate.

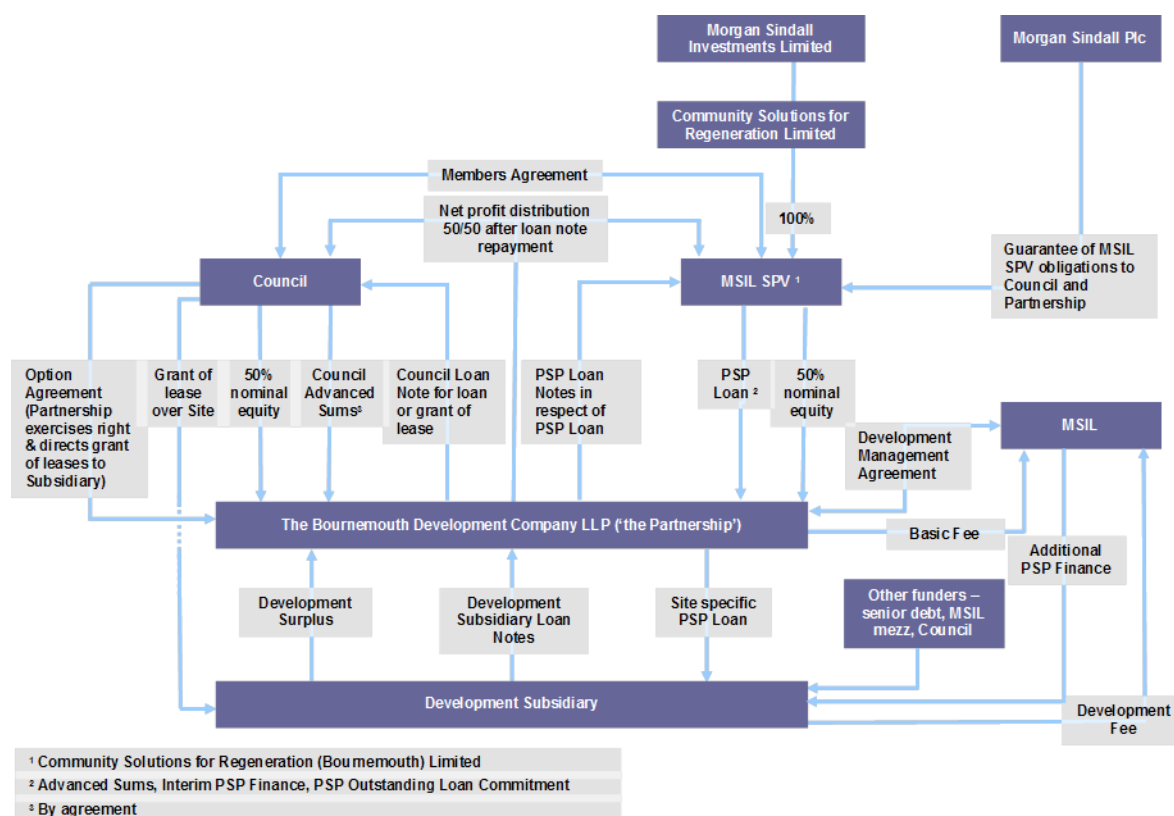
2.2 Framework

The LLP conducts its business activity in accordance with the following contract documents,

- Members Agreement
- Option Agreement; and
- Development Management Agreement.

2.3 LLP structure

The diagram below sets out the structure or indicative structure for the LLP, including subsidiaries, and provides details of key relationships, contract structure, loan note structure and key fund flows.



2.4 Subsidiary LLP structure

Once option conditions have been satisfied, development will be taken forward by an LLP subsidiary, which will be formed in accordance with the Members' Agreement. The benefits of this structure are to:

- ring fence the development of specific sites
- enable the individual entities to raise development specific finance; and
- provide the flexibility to enter into joint venture arrangements

Joint ventures will be considered with third parties such as other landowners, investors and developers who can enhance the performance of the LLP by

- providing a project specific delivery capability
- introducing project finance, either as debt, equity or possibly a forward funding commitment
- helping with site assembly that helps to deliver Partnership and wider Council Regeneration Objectives
- sharing in the risk (and reward) of a project

Any proposed joint venture arrangements will be discussed with the Council teams, with a preferred option (if any) being presented to the Partnership Board and Members for approval.

2.5 Strategic management

The strategic direction and management of the LLP is the responsibility of the Partnership Board. Certain decisions are reserved back to the Members for approval in accordance with the Delegation Policy annexed to the Members' Agreement.

The Board currently comprises two nominated representatives from The Council and two from MSIL. Partnership Board meetings are determined to be quorum with at least two Representatives from each Member present. Representatives from each Member vote collectively with a single vote.

BCP representatives are:

- Cllr Mike Brooke
- Bill Cotton, Executive Director Environment & Economic Services

MSIL representatives are:

- Richard Dixon, Director Morgan Sindall Investments
- Wes Erlam, Director Morgan Sindall Investments

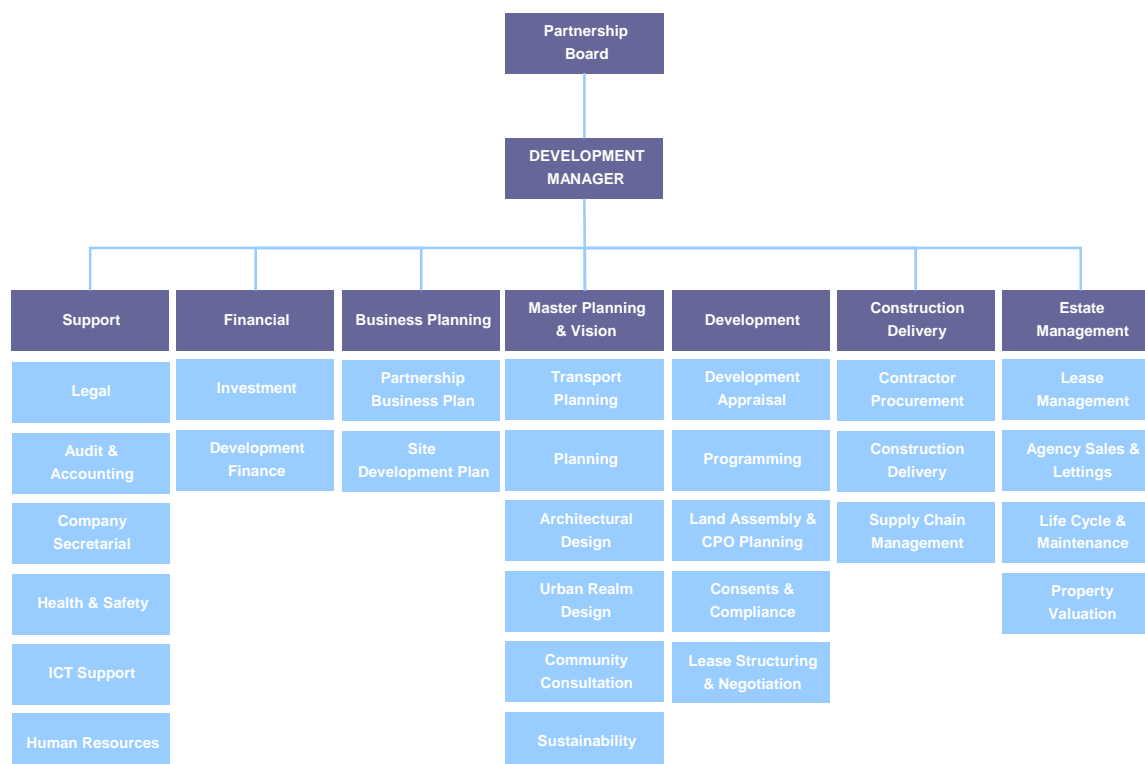
2.6 Operational management

The LLP has appointed MSIL as Development Manager (DM). The scope of DM services, terms and conditions and remuneration are set out in the Development Management Agreement.

Key services include the following:

- Management of day-to-day operations
- Management of overall development activity
- Operational reporting on a regular basis to the LLP
- Production, maintenance and review of Site Development Plans and Partnership Business Plans

In order to perform the necessary services to the LLP the following work streams have been identified as set out below:



As DM, MSIL manages the above work streams, leveraging internal resource as well as that of external advisors, service providers and the Council, where appropriate.

2.7 Communications

Liz Lean PR, who are based in Poole, are the LLP's communications and marketing advisor. Their remit is to forward plan, engage and deliver public relations activity with the local community and other stakeholders.

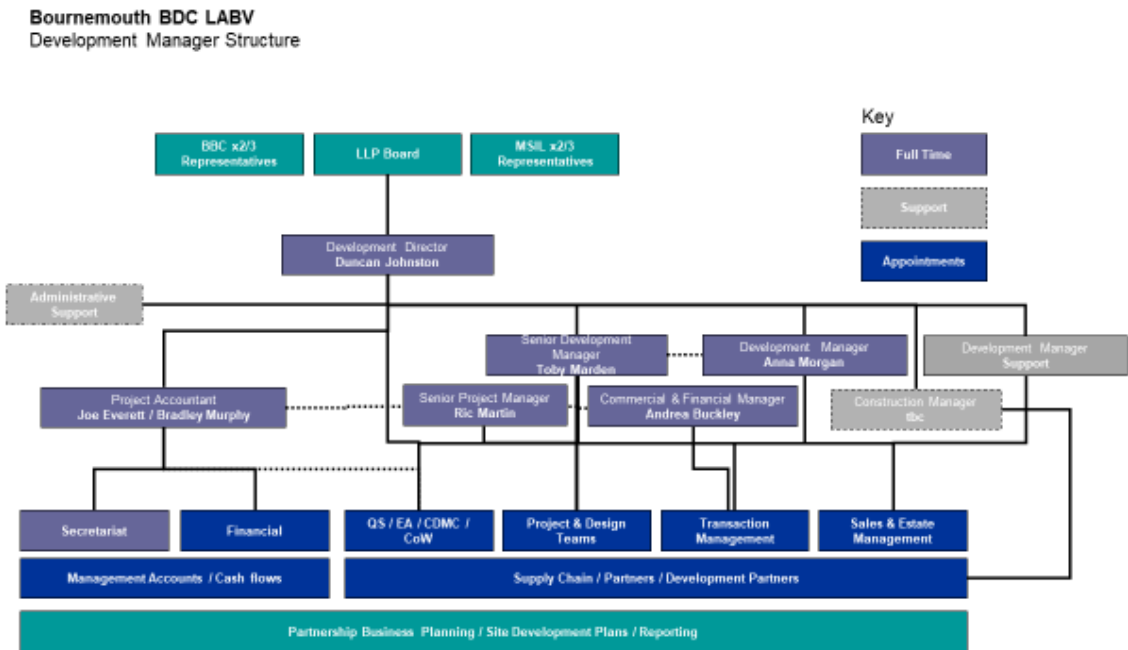
Liz Lean has refreshed the key messages, a copy of which is enclosed at **Appendix B**.

2.8 Office accommodation

MSIL operate out of offices in the Town Centre. The location, adjacent to the Town Hall, is convenient and accessible, enabling better communication between the Members which underpins the relationship.

2.9 Resource

The day to day management and development role is undertaken by a small team of direct employees, based in Bournemouth. They are supported by an 'in-house' commercial, accounting and secretariat team, based in London, who provide management reports, management accounts (as appropriate), annual statutory documentation, payment processing and other services detailed in the Development Management.



When additional resource is required, potential employment and/or secondment of suitable staff will be considered.

2.10 Corporate policies

The Policies of the LLP have been established in line with best industry practice and include, but not exclusively, health and safety, quality, human resources, discrimination, and environmental policies.

Whilst the LLP is an independent development business, its policies have regard to and accord with those of the Members as identified in the Members Agreement.

The LLP has produced and adopted its own:

- Health & Safety Policy (revised and approved April 2018)
- Equality & Diversity Policy (revised and approved April 2018)
- Sustainability Policy (revised and approved April 2018)

2.11 Quality management and quality assurance

The LLP's approach to Quality Management and Assurance is one of continuous improvement. The LLP is covered by MSIL's ISO and benefits from a fully comprehensive quality policy and manual that is updated on a regular basis.

This policy covers all areas of the Partnership's work and includes quality

- control of work and output
- assurance in what is provided and
- management.

2.12 Health & safety management

The LLP takes Health and Safety with the utmost seriousness and a Health and Safety Policy has been adopted.

This ethos toward Health and Safety will continue to be extended to all partners, design and professional team appointments and contractors. The appointments focus around the Principle Designer and Principle Contractor.

2.13 Sustainability

The Bournemouth Development Company prides itself on working locally and within the community, represented by local members of the community through Bournemouth, Christchurch and Poole to optimise the value added both economically in terms of returns for the Council in potential revenue income and also capital receipts, as well as for the community providing employment and new homes in the town.

There is a key focus on local employment and local labour which is passed onto contractors to provide employment for local people during the construction period. This also has a positive impact on our Carbon Omissions with a reduced number of miles travelled to the site.

Long-term improvements to the community are delivered with new homes in the town with new safe and well set out car parks on what used to be under used surface car parks. The developments include cleaning up and landscaping large areas of undergrowth in the town centre through construction and also through charity fundraising events.

Working with the supply chain is key to achieving a sustainable build, including 100% sustainable timber being procured, and the use of local suppliers to reduce our carbon footprint. Our sustainable policies are passed down to the Contractors along with our Local Employment Policy which has been signed up to along with the Council and the local Job Centre to also encourage a number of Apprenticeships to help create the next generation of skilled construction workers.

Keeping people safe including visitors, subcontractors, workers and reducing the number of accidents on site during the build period are a priority. Also creating a safe place to live, visit, work, invest, learn and socialise once developments are complete as set out within the Town Centre Vision.

Developing a talented team to deliver the challenging developments we have achieved within Bournemouth has been key to our success. Motivation, innovation and development is ongoing as we evolve with changes within the town and the environment.

2.14 Professional services

The LLP continues, where appropriate, to draw upon the experience of local professional firms who can demonstrate a track record of delivery and are passionate about the benefits the LLP can bring to Bournemouth, Christchurch and Poole.

Details of the core design teams are included within the individual Site Development Plans. Further appointments will be procured in accordance with the Procurement Policy.

2.15 Strategic services

The purpose of the strategic advisor role is to provide the LLP with the ability to plan its activity and resource allocation around a number of forward-looking initiatives which relate directly to its role as a delivery vehicle of the Vision. At a practical level, this will be achieved by way of day-to-day advisory as appropriate, with periodical input into the business planning and reporting activity of the LLP.

The on-going requirement for Strategic Advisors and the current status of appointments is:

Role	Advisor	Status
Communications	Liz Lean PR	Retained & active
Master Planning & Planning	To be confirmed	To be instructed as required
Transport and Car Parking	Alan Baxter Associates	To be instructed as required
Legal	Eversheds, Pinsent Mason, Womble Bond Dickinson	To be instructed as required
Tax	To be confirmed	To be instructed as required

The LLP will continuously review the need and merit of procuring strategic services, with any engagement having regard to:

- The independence of the LLP in discharging its role and objectives
- Performance of the Council in discharging its statutory obligations
- Management of potential conflicts of interest arising from time to time

- The ability of service providers to complement and enhance services provided by individual Members
- Principles enshrined in the Procurement Policy.
- Commercial protection of the LLP

3 Development programme

3.1 Annual strategy review

Following the February 2020 Annual Strategy Review by The Board, the LLP has agreed a revised development programme for all sites as attached as **Appendix A**. This is subject to on-going review and will change in response to specific demand and opportunity to deliver sites during the life of the Partnership. The detailed timeline for each site will be reflected in individual SDP's.

The LLP will also monitor development activity on other sites around the Town Centre to establish pipeline and delivery of potentially competing schemes. The Partnership will aim to deliver sites when demand is improving and competing supply is constrained to maximise revenue and profit.

3.2 Operational area

BDC has a remit to operate within the AAP Boundary, including the Sites identified within the Option Agreement and any additional sites as agreed between the Parties from time to time (which may for the avoidance of doubt fall outside the Bournemouth town centre area and include the wider BCP area).

At the Strategy Review the Council invited BDC to draw up proposals for the Chapel Lane surface car park site in Poole town centre. The site will enable BCP Council to start delivery of its ambitious £1.5 billion town centre regeneration initiative.

3.3 Area Action Plan (AAP)

The Council adopted the AAP as policy in March 2013.

The LLP will have regard to the AAP to determine the proposed mix and use of their sites. Where a departure from the AAP can be justified, for example to meet a specific occupier requirement, or as part of a comprehensive site assembly redevelopment and regeneration, the LLP will engage with the Council.

3.4 BCP Local Plan

The Council is currently exploring the future shape of a local plan for the new BCP conurbation. As part of setting up BCP the Government has approved consequential orders that specifically require a new BCP wide local plan is adopted by 2024.

3.5 Planning

3.5.1 Planning Performance Agreements

BDC will consider entering into a planning performance agreement (PPA) with the Planning Authority on a site specific basis.

3.5.2 Appropriation

The Council has the power to acquire land by agreement for planning purposes. This power is presently contained in sections 226 and 227 of the Town and Country Planning Act 1990.

Planning purposes means an acquisition (or appropriation) which will facilitate the carrying out of development, re-development or improvement which is likely to contribute to the economic, social or environmental well-being of the area, or which is required in the interests of the proper planning of the area in which the land is situated.

The Council has previously approved and continues with the BDC recommendation to exercise this power in respect of the following sites as part of the Cabinet approval of the previous PBP:

- Site 3, Town Hall Annex
- Site 8, Eden Glen
- Site 11, Central Car Park
- Site 12, Glen Fern
- Suite 5, Richmond Hill
- Site 1 Durley Road
- Site 4 St Stephens
- Site 6 Winter Gardens
- Site 9 Bath Road North
- Site 10 Bath Road South
- Site 16 Cotlands
- Additional sites at
 - York Road East car park
 - York Road West car park

In 2020 BDC recommends that The Council exercises this power in respect of:

- Chapel Lane, Poole

3.6 Development activity

Since the formation of the Partnership in February 2011, Site 15 Madeira Road West MSCP and Student Accommodation, Site 14 Leyton Mount (Citrus Building) and Site 13 Berry Court have been completed. Construction is underway on Site 4 St Stephens Road. Further development activity will be focussed on Sites 1 Durley Road, 6 Winter Gardens, Site 8 Eden Glenn, Site 11 Central, Site 16 Cotlands Road along with the two York Road car parks and Chapel Lane, Poole.

Progress on these sites is summarised below.

3.7 Completed projects

3.7.1 Madeira Road West – Student Accommodation (SA)

This project was completed on time and to budget on 26th August, 2014. The building was officially opened on 3rd October 2014.



3.7.2 Madeira Road West – Multi-storey car park (MSCP)

This project was completed on time and to budget on 28th February, 2014. The facility was officially opened on 12th March, 2014.



3.7.3 Site 14 Leyton Mount (Citrus Building)

This project was completed on time and to budget on 24th March, 2015.



3.7.4 Site 13 Berry Court

This project was completed on time and to budget on 10th August, 2018.

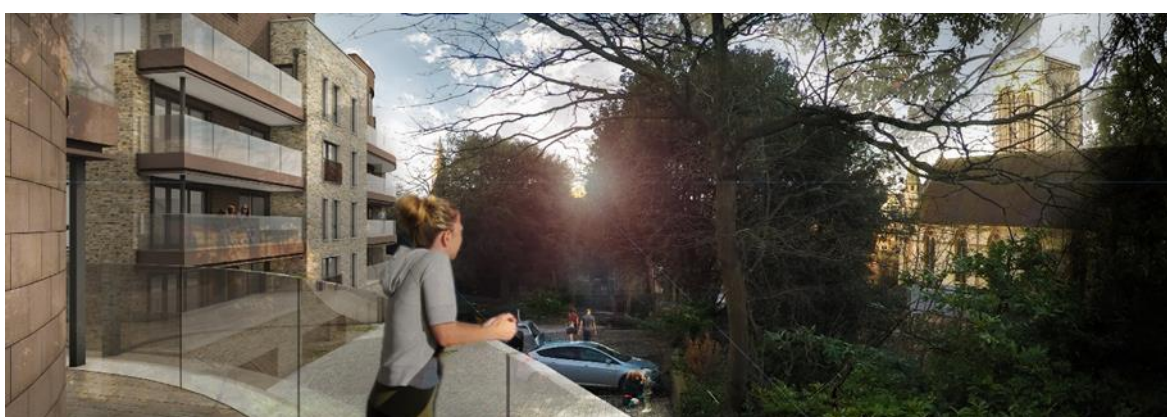




3.8 Live projects – construction phase

3.8.1 Site 4 St Stephens

Activity	Status
<i>Development proposal</i>	A Private Rented Scheme (PRS) of 46 apartments to be owned and managed by The Council
<i>Status</i>	Construction started in December 2018 with a target completion date Q4 2020.



3.9 Live projects - Stage 1 SDP adopted / pre-construction

3.9.1 Site 1: Durley Road

Activity	Status
<i>Development proposal</i>	An open market residential development of circa 40-45 apartments.
<i>Status</i>	Planning permission was approved in January 2020 by the Planning Inspector. We have started detailed design and contractor procurement with a target start on site in Q4 2020.

3.9.2 Site 6: Winter Gardens

Activity	Status
<i>Development proposal</i>	A mixed-use development comprising leisure, community and residential.
<i>Status</i>	Detailed design is underway with a target financial close in Q4 2020 and start on site Q1 2021.

3.9.3 Cotlands Road / York Road

Activity	Status
<i>Development proposal</i>	A mixed-use scheme that will complement an employment-led scheme including high quality public realm, café / restaurants and public parking (420 spaces).
<i>Status</i>	Council Cabinet adopted SDP in February 2019 and January 2020. BDC are now working up proposals prior to submission of a planning application.

3.9.4 Eden Glen

Activity	Status
<i>Development proposal</i>	A residential-led mixed use.
<i>Status</i>	Council Cabinet adopted the SDP in October 2018. BDC are now working up proposals prior to submission of a planning application.

3.10 Pipeline projects

In addition to the above sites, the LLP is proposing to bring forward and / or evaluate a number of new sites during the course of 2020.

Site	Proposed use
<i>Chapel Lane, Poole</i>	A residential-led mixed scheme.

<i>Status</i>	Proceed to SDP.
<i>Town hall Annex</i>	A residential or office-led mixed scheme
<i>Status</i>	Proceed to SDP.
<i>Central</i>	A residential-led scheme with a mix of tenure types and target markets. An exciting design will need to make best use of the elevated nature of the site, optimise views and attract aspirational buyers to the Town.
<i>Status</i>	Proceed to Draft Stage 1 SDP.
<i>Richmond Hill</i>	A sustainable residentially-led “beacon” scheme consisting of commercial on the ground floor level above car parking and residential, with a mix of First Homes, open market sales and affordable.
<i>Status</i>	Prepare for Stage 1 SDP.
<i>Pavilion Gardens: Bath Road North and Bath Road South</i>	A mixed use development including leisure, culture, and entertainment uses to complement the Pavilion and encourage greater footfall along Westover Road.
<i>Status</i>	Prepare Draft Stage 1 SDP.

With Winter Gardens coming forward in 2019, it is anticipated that there may be some contribution towards the costs of development at Bath Road from the Winter Gardens site.

3.11 Third party sites

Bournemouth town centre continues to attract further investment from a number of third party investors and developers. The Partnership is monitoring a number of sites that are controlled by other developers.

4 Movement, parking and transport policy

4.1 Introduction

This section of the Plan was updated by Alan Baxter Ltd in 2019 and will be reviewed again once The Council has concluded a review of its approach to car parking.

4.2 Policy review

The Parking and Transport Policy is informed by and has regard to the:

- Town Centre Vision Programme Objectives,
- Local Transport Plan,
- Core Strategy, and
- Town Centre Area Action Plan.

An outline assessment of the impact of proposed developments on movement and parking provision will be provided for in each of the proposed Site Development Plans.

4.2.1 Bournemouth, Poole and Dorset Local Transport Plan 3

LTP3 was adopted in April 2011. This document sets out the strategy for the delivery of a first class transport system between 2011 and 2026. The vision set out is for "A safe, reliable and accessible low carbon transport system for Bournemouth, Poole and Dorset that assists in the development of a strong low carbon economy, maximises the opportunities for sustainable transport and respects and protects the area's unique environmental assets".

4.2.2 Bournemouth Local Plan: Core Strategy

The Core Strategy was adopted in October 2012. Key themes in the strategy relate to preparing for climate change, promoting a healthy society and delivering sustainable communities. The sustainable communities theme in particular is strongly linked to transport with reference made to improving accessibility through direct, attractive and convenient pedestrian and cycle links and locating new development adjacent to high frequency public transport corridors and in strategic locations like the town centre. Within the Transport chapter it is stated that the character of South East Dorset and Bournemouth in particular means that a conventional city centre traffic restraint strategy is not appropriate.

From the Core Strategy it seems that there is no intention to deliver a Park and Ride for Bournemouth prior to 2026. However, reference is made to the longer term potential for a network of park and ride sites across South East Dorset.

The Local Plan, which includes the Core Strategy, is currently being reviewed. As part of the initial (Regulation 18) consultation in autumn 2017, it was suggested that key issues to consider could include how to ensure the provision of adequate transport infrastructure, reduce congestion and encourage sustainable transport, and how to ensure adequate parking provision to meet the need for public and private spaces. The consultation document recognises the benefits of promoting development in dense, accessible areas like the town centre, but also recognises the conflicting challenges of promoting more sustainable patterns of movement and reducing reliance on the private car, with continuing to cater for current and predicted car parking demands. These challenges will need to be carefully balanced in any revised car parking policy that may emerge from the Local Plan Review.

The Local Plan Issues & Possible Options consultation document was expected to be published in 2018, but has been delayed pending a decision over whether to produce a single Local Plan covering the new combined authority of Bournemouth, Christchurch & Poole.

4.2.3 Bournemouth Local Plan: Town Centre Area Action Plan

The Town Centre AAP was adopted in March 2013. In terms of transport this document sets out a strategy to make it easier for pedestrians and cyclists to move around, improve conditions for public transport, create attractive streets, improve safety, and maintain traffic circulation and access to public car parking.

The Town Centre AAP also forms part of the Local Plan that is currently being reviewed. It includes key policies on development sites and the strategy for maintaining levels of public parking provision across the town centre (see section 4.3 below). As noted, the conflicting policy challenges of promoting sustainable movement and accommodating demands for car parking will need to be carefully balanced in any revised car parking policy that may emerge from the Local Plan Review.

4.2.4 Parking Supplementary Planning Document

This SPD was adopted by Bournemouth Borough Council in July 2014. This purpose of this document is to manage the parking associated with new development, in order to limit the negative impacts of increased on-street parking pressure and ensure good design that feels intuitively safe and welcoming. It is intended to provide clear guidance and certainty to developers as to the Council's approach to vehicle and cycle parking in new developments.

The SPD includes guidance on layout and design, including physical dimensions for car, cycle and motorcycle parking, disabled facilities, servicing bays, electric vehicle charging and car clubs. It also includes a comprehensive set of parking standards for a range of uses, based on three designated Parking Zones across the borough.

The Parking SPD also forms part of the Local Plan that is currently being reviewed. Key policies that affect the viability and deliverability of developments include requirements for the size and type of cycle storage, as well as the size and layout of car parking spaces.

As part of the Local Plan Review it would be useful to review the operation and usage of cycle and car parking in recently completed developments in Bournemouth as well as benchmark standards in other areas around the country, to ensure that policies allow for the convenience of users, make the most efficient use of space, and take account changing technologies.

4.3 Car parking strategy

The Council's current strategy for car parking (Policy T7 in the Town Centre AAP) seeks to "maintain a total off-street public car park capacity of around 6,400 spaces" in the town centre which includes Lansdowne. This quantum of spaces was informed by the Bournemouth Town Centre Parking Study (2006) which assessed demand at the time, as well as anticipated demand from future development sites.

It calculated that by 2016, based upon a planned delivery of new development in the Town centre (some of which has been delivered but by no means all), the demand for off-street car parking would begin to exceed supply. Beyond 2016, growth would be accommodated not by increasing car parking but by relying on a shift to sustainable modes to keep parking demand at manageable levels (approx. 85% of capacity). The AAP acknowledges that growth in the town centre should not be accommodated by allowing unrestrained use of the car.

The AAP also sets out the proposed future location of public car parks, their capacity and how they will be accessed. Approximately 5,100 spaces are proposed for the town centre and 1,400 for Lansdowne. In terms of pricing, the policy is to implement tariffs that will deter commuting by car.

The principles underpinning the BDC Parking and Transport Policy and impact assessment for each development site include all of the following:

- Consideration of movement and access in the context of the Local Transport Plan, the Core Strategy, the Town Centre Area Action Plan, and the physical context of the Town Centre
- Consideration of movement and access in the context of peak demand for travel
- Understanding of user demand characteristics
- Enabling travel by the most sustainable transport modes, and widening accessibility for different users
- Consideration of transport and public car parking provision in the context of carbon footprint reduction
- Consideration of the requirements of an improving public transport network
- Consideration of existing public car parking capacity over time and the relationship of this to Council policy objectives
- Understanding of function and role of public car parking in the context of pricing and length of stay restrictions
- Grouping and balance of car parks in clusters of use across the Area Action Plan area (Town Centre and Lansdowne)
- Consideration of car parking provision in the context of revenue generation
- Mitigation of the effects of any additional car trips generated by the proposed development sites on the local highway network
- The potential for contributing towards the wider traffic impact of the proposed development sites on the strategic highway network in accordance with the South East Dorset Transport Contributions policy (shortly to be replaced by CIL)
- Provision of on-site cycle and vehicle parking, and achieving servicing arrangements
- Consideration of car parking provision in the context of maintaining the viability and vitality of the town centre

The Car Parking Strategy is a key policy requirement that influences the viability and delivery of development sites in Bournemouth Town Centre. The Local Plan Review offers the opportunity to update its underlying demand data, comparing against the original 2005 surveys, to understand changes in demand against projections set out in the 2006 Parking Study, and to assess the effectiveness of the policy in achieving its objectives over the last twelve years.

It is understood that a town centre parking study was undertaken in 2018, based on surveys commissioned by the Council in Aug and Nov 2017. The findings of this study will inform policy positions for any revisions to the Town Centre AAP. However, no study findings or proposed AAP revisions have been published for consultation at this time.

The BDC will provide data and assist the Council's Planning and Transport departments to ensure the policy review is as robust as possible.

4.4 Impact of strategy on partnership development activities

The car parking strategy within the Town Centre AAP has major implications for the development of sites that are currently within the remit of the BDC. The main sites that are impacted are:

- West Hill - currently there are 127 spaces and it is proposed that this be increased to 200. This would require more than one level of car parking on a site that is irregular in shape, and surrounded by housing.
- Richmond Hill - currently there are 112 spaces and it is proposed that this be increased to 200. This would require more than one level of car parking.
- Central - currently there are 315 spaces and it is proposed that this be increased to 400. This would require more than one level of car parking.
- Town Hall Annex - currently there are 114 spaces and it is proposed that this be maintained. As per the existing arrangement more than one level of car parking would be required.
- Eden Glen – currently there are 60 sub-standard parking bays and it is proposed that these be increased to 64 larger accessible bays. As the current development site is smaller than the AAP policy site, this would require more than one level of car parking
- Cotlands Road & York Road – currently there are 390 public car parking spaces on the AAP policy site and it is proposed that these be increased to 420 spaces. This would require more than one level of car parking.

The Parking SDP, adopted July 2014, introduced a number of design standards with implications for development projects. The main points are:

- The increased minimum size of car parking spaces over previous standards, which has increased the cost of provision with a potential impact upon land value.
- The constraints over the size and type of cycle parking permitted (widely spaced Sheffield stands only), which do not make the most efficient use of space and therefore impact on costs and values.

These existing policies will continue to impact upon the viability and delivery of new investment in the town centre.

As part of the Local Plan Review it is recommended that the following issues be explored with a view to better managing parking demand and supply, and allowing development to come forward in an efficient and flexible manner:

- Use 2017 parking surveys to establish current base demand, compare against the original 2005 surveys, understand changes in demand against projections set out in the 2006 Parking Study, and assess the effectiveness of the policy in achieving its objectives over the last twelve years.
- Consider development activity projected in the current AAP and actually delivered (eg volume of retail on Westover Road and Commercial Road), review the effect on anticipated parking demand, and consider how parking supply is linked to development activity.
- Consider the potential for modal shift and changes to parking tariffs to reduce demand over and above that already assumed. This could be supported by measures such as:
 - Improved bus services and facilities
 - Cycle lanes
 - Safer pedestrian routes including Grand Garden Walk
 - Greater investment in car clubs
- Automated parking sign system to manage and communicate to drivers availability of spaces in public car parks
- Consider the potential for car parks in Lansdowne to function as edge of the town centre Park and Rides, with drivers walking or using conventional buses to access the town centre.
- Consider the potential for other development sites in the town centre and Lansdowne to accommodate car parking and test the impact on viability of these schemes.
- Review the operation and usage of cycle and car parking in recently completed developments as well as benchmark standards in other areas around the country, to ensure that SPD design standards allow for the convenience of users, make the most efficient use of space, and take account changing technologies.

As part of the yearly reviews of the Business Plan the impact on future car parking will be considered. This will enable a regular update taking into account the changing factors relating to both supply and demand and will inform decision making relating to the LLP sites going forward.

4.5 Review of car parking strategy

October 2013, BDC wrote to The Council expressing concerns with the adopted planning policies regarding parking provision contained in the Town Centre AAP and the LTP3, that these might constrain the development of car park sites and therefore impact upon the BDC's ability to deliver the Town Centre Vision.

It noted that the Town Centre Parking Study (2006), which informed these policies, was based on a survey of parking demand undertaken in 2005 and assumed demand for off-street car parking would increase by 11% between 2005 and 2016. However, information from the DfT over the intervening period shows that traffic flows have actually decreased by 5% between 2005 and 2012, and it is therefore very likely that demand for car parking has also decreased.

The 2006 study also assumed that there would be significant new development completed and occupied by 2016. Whilst some of this development has come forward, it had not all been completed prior to the end of 2016 (Pavilion Gardens, Exeter Road NCP).

In relation to the LTP3, it recognised that document's various strategies for encouraging more sustainable travel choices and noted that, for 80% of the time the plentiful amount of parking available in the town works directly against these strategies. It suggested a shift in parking strategy towards better demand management.

BDC will, during the course of 2020, continue to seek to review the current parking strategy with the Council as part of the production of the new Local Plan for the combined authority.

5 Financial matters

The following provides an overview of the principles underpinning the financial strategy of the LLP.

5.1 Financial summary 2019

The forecast draft financial statements of the Bournemouth Development Company LLP and its subsidiary's Leyton Mount Development LLP and Winter Gardens Development LLP show positive results for the year ending 31st December 2019. The consolidated profit for the period is £384k (2018: £490k) with retained earnings of £1.221m (2018: £854k). The group has net assets attributable to members of £11.304m (2018: £10.903m).

5.2 Funding structure

The Partnership is a limited liability partnership (LLP) established to carry on a trade of property development either directly in its own right or through one or more development subsidiary LLPs.

5.3 Annual budget

Profit for 2020 is budgeted at £80k, c£500k is a result of the profit recognised over the course of construction relating to St Stephens. This has been offset by BDC overhead costs and PSP interest costs relating to the budgeted advance sums;

Three sites, Durley Road, Eden Glenn and Winter Gardens have budgets approved by the BDC Board and adopted by Council Cabinet. The following table presents the balance of budget not yet spent and forecast 2020 cash flow expenditure relating to development projects.

Site	2020 £	Total approved £
Durley Road	675,000	675,000
Eden Glenn	500,000	1,110,000
St Stephens	-	-
Winter Gardens	4,200,000	3,000,000
Cotlands & York Road	1,000,000	TBC (subject to separate SDP adoption)
Chapel Lane, Poole		
Town Hall Annex		
Central	TBC	TBC
Pavilion Gardens (Bath Road North & South)	TBC	TBC

Total	6,375,000	4,785,000
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The 2020 budget includes cumulative unspent sums for previous years for adopted sites compared against the total SDP approved expenditure.

The PBP will be updated to reflect any changes to the Annual Budget, for example with new Loan Note commitments as new sites come forward and SDP's (for instance Cotlands and York Road and Central car parks) are adopted by Cabinet.

5.4 Funding of Durley Road

The PSP and BCP Council are expecting to make further equity investments into this scheme, the quantum of which will be confirmed at land draw-down.

5.5 Funding of future projects

The LLP has a budget, referred to in the Members Agreement as the Advanced Sum Cap, with a base value of £500,000, which after indexation has increased to £623,534 for 2020 in aggregate, "which shall be expended to pursue Stage 1 Project Appraisal Sign Off". This will be used to undertake initial project appraisal and viability in respect of the sites to be progressed, with input from professional consultants:

- Planners: to identify planning constraints and opportunities
- Transport: to identify highway / parking constraints and opportunities;
- Property Consultant: to advise on mix of uses, quantum and values;
- Architect / Master Planner: initial density / massing studies
- Cost Consultants: budget construction costs
- Surveys: topographical, arboriculture etc.
- Legal: to identify title constraints
- Desk top surveys

Once initial viability studies have concluded, and the DM is in a position to recommend that the project proceeds, an SDP for each will be issued to the LLP for approval. This will incorporate the above costs into a full budget of surveys, design and professional fees.

5.6 Taxation assumptions

Generic advice has been sought and received from KPMG in regards to the BDC Tax Assumptions, SDLT and VAT. A review will be need to be undertaken for each project with KPMG continuing to provide advice around project specific requirements,

5.6.1 Direct tax assumptions

A LLP is a body corporate with separate legal personality from that of its members. However, unlike a limited company, LLPs are transparent for UK tax purposes meaning profits of the LLP are not taxed in the LLP but rather in the hands of its members according to their taxable status.

5.6.2 Stamp Duty Land Tax (SDLT) assumptions

Stamp Duty Land Tax (SDLT) applies to all land transactions in the UK. Project specific advice will be obtained in relation to SDLT for each development.

5.6.3 Value Added Tax (VAT) assumptions

An LLP has an obligation to VAT register if the value of its “taxable supplies” (i.e. supplies that are subject to the standard, reduced or zero rate of VAT) exceed the VAT registration threshold. Subject to HMRC’s approval it is possible to apply for a VAT registration where a compulsory liability has not crystallised, but the LLP intends to make taxable supplies at some point in the future. Subject to fulfilling the relevant conditions it is also possible for LLP’s to form or become members of a VAT group registration.

BDC has been registered for VAT purposes in a standalone capacity with effect from 17 February 2011.

5.7 LLP operating costs

LLP operating costs are identified as £60k (Indexed) per annum. This is the Basic Fee under the Development Management Agreement. These costs are based on a basic operating structure and include company secretarial and statutory accounting and auditing services. Further operating costs are budgeted through the Development Management fee.

This does not include costs arising from the provision of any strategic services as set out in section 2.1.10 above.

6 Exit strategy

6.1 Subsidiary development LLP's - disposal of assets

There is no current intention for the LLP to hold assets in the longer term however each project will be assessed on its own merits by BDC. At an early stage of a development project, an exit strategy together with a recommended sales and marketing budget (if relevant), will be proposed and form part of each Site Development Plan (which will be approved by the Board).

Where applicable, the DM will secure a forward commitment from end users / occupiers, typically of retail, employment, leisure and healthcare developments. The resultant lease and rental revenue will enable the DM to secure a forward-funding commitment or a purchase on practical completion, ideally at initial project viability stage but up to start of construction, from an investor. This reduces significantly the risk associated with development projects.

Alternatively, the LLP may develop speculatively, prior to securing a commitment from occupiers / investors. This exposes the LLP to "market risk", principally the demand for the end product (from occupiers and investors), the price that purchasers are prepared to pay and the period in which to negotiate and complete a sale.

The choice of exit will reflect the best commercial advice at the time, informed by and contingent upon a number of objectives and potential drivers, including:

- Town Centre Vision objectives
- Demand for proposed use, reflecting competing development pipeline
- Demand from occupiers
- Demand from investors
- General economic conditions
- Development, investment and asset management strategy
- LLP capitalisation and funding requirements
- LLP development return requirements
- Mitigated risk balanced against risk appetite

6.2 Early member exit from the LLP

6.2.1 Duration of the LLP

The LLP will continue its activities until:

- the 20th anniversary of the Members' Agreement; or
- Members decide otherwise e.g. such time when objectives and targets have been completed.

6.2.2 Transfer of member interests

The Members Agreement provides, subject to pre-emption and other conditions, the opportunity for a Member to transfer all (but not part) of its Member Interest to a third party. In the case of the PSP, there are provisions for MSIL to transfer all (but not part) of its interest to another MS Group Company without being subject to pre-emption rights.

6.2.3 Termination, default

The Members Agreement sets out a number of events, termed Termination Events, which would trigger the winding up of the LLP.

6.2.4 Distribution of assets

In the unlikely event of early termination, dissolution and sale of assets will be governed by the terms of the Members' Agreement.

Appendices

Appendix A

Indicative Development Programme

Appendix B

Key communication messaging

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