

CABINET



Report subject	Wessex Fields Site- University Hospital Dorset Link Road and redevelopment update
Meeting date	7 September 2022
Status	Public Report with Confidential Financial Appendix
Executive summary	<p>On 16 December 2020 Cabinet agreed in principle to dispose of part of the Wessex Fields site to the adjoining landowner University Hospitals Dorset NHS Foundation Trust (UHD) in partnership with Bournemouth University, to deliver their proposal for a strategically relevant development with a focus on medical technology, medical research and education. Cabinet authorised officers to negotiate the heads of terms for the disposal.</p> <p>A cabinet report dated 10 February 2021 outlined the terms of the disposal in a confidential appendix and highlighted that the purchase price had taken into consideration an obligation on the council to design, fund and build a new link road from the A338 through the Wessex Fields site to join hospital land, facilitating controlled access essential to their wider £250m transformation programme.</p> <p>The design of the new access route has been considered in the context of the wider master-planning of the site currently being progressed by BPC FuturePlaces (FuturePlaces) as this is a key site within their portfolio.</p> <p>The purpose of this report is to;</p> <ol style="list-style-type: none">1) provide an update on the progression of the master-planning and wider redevelopment of Wessex Fields and;2) seek approval for additional budget allocation from the Futures Fund for the new link road due to construction industry inflation and an enhanced design based on completing more of the consented road scheme.
Recommendations	<p>Cabinet RECOMMEND that COUNCIL:</p> <ol style="list-style-type: none">a) Approve the budget increase for the construction of the link road as detailed in Confidential appendix A.b) Approve that this additional amount is funded from the

	Council's Futures Fund.
Reason for recommendations	To fulfil our contractual obligations and deliver an improved highways infrastructure, improve connectivity with the hospital, and enhance the council's retained development land value at Wessex Fields.

Portfolio Holder(s):	Councillor Philip Broadhead, Portfolio Holder for Regeneration, Economy and Strategic Planning.
Corporate Director	Graham Farrant, Chief Executive
Contributors	Sarah Longthorpe, Director of Delivery Regeneration
Wards	Littledown & Iford
Classification	For decision

Background

1. On 16 December 2020 Cabinet agreed to dispose of part of the Wessex Fields site (5.65 acres) to UHD as detailed in the plan at Appendix 1. This will enable the realisation of a Pathology Laboratory, currently being constructed on site and due for completion by Spring 2023. It also enables a new educational and research facilities to develop medical sciences and technologies, a high value growth sector.
2. The disposal, which was concluded on 31 March 2021 contained an obligation on the council to undertake and fund highways infrastructure works, for which we received an enhanced capital premium.
3. This included the construction of a new junction from Deansleigh Road and an access link road from the existing A338 slip road into the top of the hospital site.
4. The new link road enabling controlled access to the hospital for staff and service vehicles including ambulances is an essential part of UHD £250m investment in hospitals transformation programme which will be beneficial to the public and deliver better care in improved facilities. UHD aims to complete their transformation programme by 2026.
5. The development proposals at Bournemouth hospital include creating new purpose-built Births, Emergency and Critical care and children's health facilities, extensive refurbishments and creating a new pathology hub.
6. At the time of disposal Officers from Transport & Engineering reviewed the independent cost summary and were satisfied that the works required could be delivered within the budget however it was noted that, should the costs increase beyond this budget, the Council would have to cover any shortfall. This risk was set out in the risk assessment section of the 10 February 2021 Cabinet report.
7. The Council will be entering into a Development Management Agreement with UHD to design, secure planning and construct the road, either by direct procurement or via subcontractors with the council meeting the costs. The council is required to agree the design and approve the content of a planning application.

8. UHD engaged WSP to undertake initial design work and various road layout options and designs were considered. Both parties have now agreed a preferred route/design. The sale contract detailed an indicative layout as shown in Appendix 2 to facilitate UHD access only. The final design, and preferred option, is now based on constructing out more of the consented access road into the Wessex Fields development site, the roundabout for future proofing, and overall to a higher design specification as shown in Appendix 3.
9. The benefits of this design option means that wider site access is facilitated releasing developable land parcels at higher land values, due to the underlying highway infrastructure being in situ. However, due to an increase in construction costs as the road is designed to an adoptable standard, plus much higher inflation levels within the construction sector, the costs have increased above the allocated budget. This increase is detailed in the confidential appendix.
10. A key consideration in progressing the revised link road design will be how the planning position is treated. It is essential to review the implications of the design changes against the current Spine Road South/Grade Separate Junction consent. Careful consideration will need to be given as to whether this is an amendment to the existing application or a new application. Regeneration and Transport officers are currently considering the options available and will be seeking planning advice so as not to fetter the Council's position in this matter.
11. A further key consideration is that the trajectory and detailed design of the proposed road will serve future development aspirations enabling rational/technically viable development parcels and such that the detailing serves the future urban context that will be created.

Wessex Fields Redevelopment update

12. The Wessex Fields site is a key strategic development site for the council and is included in the portfolio of sites allocated to FuturePlaces to progress the masterplanning and redevelopment.
13. FuturePlaces has been engaged on the new link road and is supportive of the proposed design and has undertaken comprehensive engagement with internal stakeholders including Planning & Transport colleagues on the wider masterplan and infrastructure opportunities.
14. FuturePlaces has undertaken engagement with external stakeholders including Friends of the Elderly Nursing Home and UHD. All parties realise the benefit of the production of an overarching masterplan and are keen to engage in the process.
15. To progress a masterplan FuturePlaces will be hosting a design charette in October 2022. This will bring together the main landowners and ensure collaboration on the wider site development potential, maximising the site's use for educational and research facilities to develop medical sciences and technologies alongside key worker, elderly living and extra care housing. Consideration will also be given to environmental, social, economic and transport impacts of any masterplanning options.

16. Following this intensive design charette period it is anticipated that a reference masterplan will be formulated and agreed by the end of 2022 enabling completion of a detailed masterplan by Summer 2023. Once the uses, energy and infrastructure needs are identified, along with an indicative timeline, transport colleagues can consider the position with Western Gateway Strategic Transport plan for potential funding support for the 2025 to 2050 period.
17. The council has retained an option on the land hatched blue in appendix 4 exercisable between August – December 2023 so that, should this land be required for highways purposes following a comprehensive area masterplan, it could be re-acquired.
18. It is important to note that the preferred design for the new UHD link road could facilitate a through road solution whilst still enabling a grade separate junction in the future along the lines of the consented scheme, as well as providing access to the land required by exercising the option agreement in 2023.
19. An alternative access solution to the new pathology laboratory has been agreed and both parties have subsequently agreed to remove the Deansleigh Road Junction highway obligation and a budget adjustment will be made for this element.

Consultation

20. The site lies within the Littledown and Iford Ward. The Ward Councillors were consulted on the options presented in the Cabinet report dated 16 December 2020 and were supportive of the disposal of part of the site to UHD which included the highways obligations.
21. The increased budget request was reviewed by the Futures Infrastructure Programme Board on 15 July 2022. The board were supportive of the allocation of Futures Funds for this highways infrastructure requirement to enable development subject to the necessary council approvals.

Summary of financial implications

22. The initial costs of the highway infrastructure were outlined in a confidential appendix to the Cabinet report dated 10 February 2021. The additional financial implications are detailed in confidential Appendix A.

Summary of legal implications

23. The council disposed of the land at Wessex Fields in accordance with the statutory powers to dispose of this land under Section 123 of the Local Government Act 1972, which gives a general power of disposal for the best consideration reasonable obtainable. The council retained vehicular access rights together with rights to lay services across any land sold to UHD, to facilitate future development of the site.
24. Cabinet on 10 February 2021 recommend to council to dispose of part of the land at Wessex Fields and delegated authority to the Corporate Property Officer in consultation with the Portfolio Holder, Monitoring Officer and Section 151 Officer to finalise the terms.

25. An Officer Decision record dated 31 March 2021 recorded the final agreed terms of the sale and option agreement and delegated authority to the Director of Development to agree the design and award of the Development Management Agreement to UHD to act on behalf of the council for the development of the link road.

Summary of sustainability impact

26. A Decision Impact Assessment was undertaken on 17 December 2020 and appended to the previous Cabinet report. The impact assessment related to the disposal of part of the site to UHD and the obligations to provide highways access and remains unchanged.

27. Any future design/ development is subject to planning consideration and will seek to maximise green space within the development and connectivity to the adjacent SSSI. Enhancing walkability and facilitating the adoption of sustainable modes will be key criteria of the reference masterplanning exercise and should be key considerations in the detailed design of an infrastructure within this site. As part of the A338 Wessex Fields link road installation, the relevant ecological survey was undertaken.

28. There are no public health implications as identified in the Environmental Statement.

Summary of equality implications

29. An Equality Impact Assessment screening tool has been completed and reviewed by the EIA Panel. Overall, the panel gave an Amber rating, but recognised the anticipated positive equality impacts identified and highlighted that there were no anticipated negative equality impacts. A copy of is attached in Appendix B.

30. It highlighted that the delivery of a new access road to UHD will have positive impact on the protected characteristics, principally Health, Education, Participation and Work. It will provide improved access for UHD staff to car parks and ambulances, improving response times in accordance with the Secretary of State for Health accepted NHS England's recommendation to implement new ambulance performance standards and it will assist drop offs. All of these factors in turn will improve public health and wellbeing in the community.

31. It is anticipated that the remainder of the site in BCP Council ownership, will be developed out to provide affordable/key worker housing recuperative and rehabilitative care accommodation and elderly living, local community facilities and medi-tech business capacity.

Summary of risk assessment

32. Cabinet should be mindful of the following specific risks attached to this proposal.

33. The financial risks associated with developing out the remainder of the site remain with the Council. Funds have been allocated to seek further professional, commercial and development advice as a matter of priority to determine how development of the remainder of the site is structured in the future to mitigate this risk and maximise returns.

34. The planning and design of the road to UDH is still subject to final design and a planning consent secured. Should the funding of the proposed road infrastructure exceed the budgeted allocation BCP Council would need to fund these increased costs. This has been mitigated by a 40% optimism bias applied for this element and a 10% contingency.
35. The delivery of the necessary highway's infrastructure works will need to be appropriately resourced by UHD under the development management agreement to ensure it is delivered within the agreed timescales.

Appendices

Appendix 1 – A338 Wessex Fields Disposal plan

Appendix 2 – Sale contract indicative UHD road layout

Appendix 3 – Proposed Road Design option

Appendix 4 – Wessex Fields – Plan of option land

Appendix A – Confidential financial report

Appendix B – Equalities Impact Assessment screening tool

Appendix 4 – Wessex Fields – Plan of option land

