

North Tyneside Council

Report to the Head of Commissioning and Investment

Date: 29 January 2018

Title: Extend the option with New River Retail (NRR) to provide a new health centre on site 2B, The Forum, Wallsend.

Portfolio(s): Elected Mayor

Cabinet Member(s): Elected Mayor – Norma Redfearn

Report from Service Area: Business and Economic Development

Responsible Officer: Daniel Wise / Graham Sword
Tel: (0191) 643 6427 / (0191) 643 6421

Wards affected: Wallsend

PART 1

1.1 Executive Summary:

The purpose of this report is to seek approval for a further 12 months extension of the option with New River Retail (NRR) to develop site 2B in Wallsend Forum for a new town centre health facility.

1.2 Recommendation(s):

Approve the renewal of the option with New River Retail (NRR) so that the new Wallsend medical centre project can still proceed.

1.3 Forward Plan:

Twenty eight days notice of this report has been given and it first appeared on the Forward Plan that was published on 5th February 2018.

1.4 Council Plan and Policy Framework

This report relates to the following themes/programmes/projects in the 2018-20 Council Plan (Our North Tyneside Plan).

Our places: key work with residents, communities and businesses to regenerate the borough. Be a great place to live, and attract others to visit or work here. Provide a healthy, attractive and safe environment.

1.5 Information:

1.5.1 Site 2B off Elton Street, Wallsend

This vacant grassed site, comprising part of the former Hedley Place housing estate and shown coloured blue on the attached (appendix 1), is known as site 2B in the existing development agreement between the Authority and NRR.

The site has a draft development proposal for a new build medical centre (see Appendix 2).

The Authority is due to receive a £750,000 capital receipt if NRR can secure a development opportunity before the 31st December 2018. This is in accordance with the terms of the existing development agreement between the Authority and NRR.

If the option is not exercised by 31 December 2018 NRR would transfer back the land to the Authority.

1.5.2 Wider Regeneration Options

NRR have confirmed that the commencement of development on site 2B will trigger an agreement to amend and relax the use class restriction within the Authority's lease of Wallsend Customer First Centre. This will supply better options for future alternative sub-let opportunities for the Authority, including office or leisure uses, rather than being restricted to the same use class as the library / customer services uses to ground and first floor.

If the Authority can secure agreement with NRR and the Northumbria Healthcare Trust (NHCT) to provide a new build option as described above at site 2B, then further regeneration options will arise for land at Portugal Place, located to the south of the site off High Street West. This is shown edged red on the attached Appendix 1.

The site as identified edged red is the existing Doctors surgery at Portugal Place. This would become vacant as the practice is included in the proposal for the new accommodation with the NHCT and they will remain integral to the success of the project.

This site is also included in the Authority's Local Plan (adopted July 2017) as a planning option for circa 25 residential units.

1.5.3 The previous option with NRR was originally approved on 12 September 2011.

This approval lapsed on 31 December 2017.

This submission seeks to renew the option so that the project can still proceed.

1.6 Decision options:

The following decision options are available for consideration:

Option 1

To approve the renewal of the option with New River Retail (NRR), so that the new Wallsend health centre project can still proceed.

Option 2

Not to approve the renewal of the option with New River Retail (NRR), so that the new Wallsend health centre project will not proceed.

Option 1 is the recommended option.

1.7 Reasons for recommended option:

The recommended option, Option 1, is considered to be the most advantageous way forward for the Authority in delivering its continued regeneration of Wallsend town centre and providing a new town centre health centre for Wallsend.

It will also help achieve the level of capital receipts required to support the Authority's Strategic Investment Plan.

1.8 Appendices:

Appendix 1 - Location plan of site 2B and the two existing local Wallsend health centres (Portugal Place and Park Road)

Appendix 2 – Site 2B red line boundary and proposed floor plans of health centre

1.9 Contact officers:

Daniel Wise (0191) 643 6427

Graham Sword (0191) 643 6421

Alison Campbell (0191) 643 7038

1.10 Background information:

River Tyne North Bank Strategic Development Framework Plan

Cabinet report 9th November 2009 - River Tyne North Bank - Wallsend Town Centre

Cabinet report 12th April 2010 - Wallsend Town Centre Regeneration

Cabinet report 7th March 2011 - Disposal of surplus land in Wallsend Town Centre

Cabinet report 12th September 2011 - River Tyne North Bank Regeneration scheme

Previous option to purchase document

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

The Authority is due to receive a £750,000 capital receipt if NRR can secure a development opportunity before the 31st December 2018. This is a Housing Capital Receipt. This is in accordance with the terms of the existing development agreement between the Authority and NRR.

2.2 Legal

This approval seeks a new agreement with New River Retail (NRR) for a further 12 months extension to the option to develop site 2B in Wallsend for a new town centre health centre.

The disposal must comply with the Authority's obligation to comply with section 123 of the Local Government Act 1972, this provides that the Authority must secure best

consideration when disposing of its land. Given the previous valuation the extension would still provide best consideration to the Authority and support the Authority's wider regeneration aims.

2.3 Consultation/community engagement

External consultation has taken place with:

- New River Retail (NRR)
- Northumbria Healthcare, Clinical Commissioning Groups (CCG), NHS England
- Medical Practices of Wallsend town centre (Portugal Place, Park Road)

Internal consultation has taken place with:

- North Tyneside Council (Strategic Property Group)

2.4 Human rights

There are no human rights implications arising from this report.

2.5 Equalities and diversity

There are no equality and diversity implications directly arising from this report.

2.6 Risk management

There are no risk management implications directly arising from this report.

2.7 Crime and disorder

There are no crime and disorder implications arising from this report.

2.8 Environment and sustainability

There are no environment and sustainability implications arising from this report.

PART 3 - SIGN OFF

- Deputy Chief Executive
- Head(s) of Service
- Mayor / Cabinet Member
- Chief Finance Officer
- Monitoring Officer
- Head of Corporate Strategy