

FALKIRK COUNCIL

**Subject: TOWN CENTRES STRATEGY:
BO'NESS HARBOUR AND FORESHORE INITIATIVE**
Meeting: FALKIRK COUNCIL
Date: 25TH JUNE 2008
Author: DIRECTOR OF COMMUNITY SERVICES

1.0 INTRODUCTION

- 1.1 The purpose of this report is to outline the method and outcome of the consultation exercise undertaken with the Bo'ness community on the Bo'ness Harbour and Foreshore Initiative, in accordance with the request made by Members at the Council meeting on 30 April 2008. The report considers the feedback in some detail and provides an updated perspective on the proposed development. Taken together these recommend that Members endorse their earlier 'in principle' decision and agree to entering into a development agreement accordingly.

2.0 BACKGROUND

- 2.1 Policy & Resources Committee received a report in relation to the Bo'ness Harbour and Foreshore initiative at its meeting on 11 March 2008. This outlined a revised approach to the phasing of the scheme, involving commencement of works at the east end of the site, and revised means of funding the package of harbour works. The report was approved by a majority and was then referred to Council.
- 2.2 Council considered the Report and supported in principal its recommendations. However, given concerns over the re-phasing of the scheme, it required that consultation be undertaken with the Bo'ness community, reporting back to Council in June.
- 2.3 This phase of consultation with the Bo'ness community has been completed.

3.0 CONSULTATION FRAMEWORK

- 3.1 Extensive consultation has been undertaken previously with the Bo'ness community in relation to the regeneration of the town centre and development of the Harbour and Foreshore initiative. A further phase of consultation was undertaken during May and June to inform the Bo'ness community of the proposed amendments to the delivery of the masterplan and to seek its views on proceeding with the initiative proposed.
- 3.2 An initial scoping exercise to establish a proper framework for the consultation was presented at the Area Forum meeting on 8th May. The principal changes, reasons for the revised phasing and an announcement on the intention to consult with the Bo'ness community, were all set out in a presentation. This sought feedback from the community and local groups as to how the Council should consult, giving as examples the consultation undertaken for Denny and Grangemouth town centre regeneration.

- 3.3 A draft consultation framework was then presented to the Bo'ness Town Centre Development Group which met on 19th May 2008. This meeting involved local members, community representatives and representatives of ING. This confirmed the aims of the consultation exercise. These sought to inform the Bo'ness community of the revised proposals for the Harbour and Foreshore; obtain a firm expression of views from all elements of the Bo'ness Community as to their support (or otherwise) for the scheme; and to use this to enable the Council to make a fully informed decision on the proposal.
- 3.4 Despite concern at the timescales for delivery of the consultation exercise, there was agreement from the local community groups and Members attending that the exercise should proceed as outlined.
- 3.5 The consultation exercise on the revised proposals commenced on 26th May. It was advertised fully in the local press and included:-
- 1) Display of boards detailing the revised proposals at three locations in the town, the library, One Stop Shop and Recreation Centre
 - 2) Consultation and opportunity to give responses up to 13th June
 - 3) Material displayed online at the Council's website for people to view, express their preference and make comment.
 - 4) An open exhibition event at Bo'ness Town Hall, held on 26th May between 2pm and 7pm for members of the public to attend and ask questions of officers from the Council's Economic Development team. Over 90 people attended seeking information on the revised phasing.
 - 5) An evening public meeting at Bo'ness Town Hall, held after the open exhibition event, from 7.30pm to 9.30 pm. The event was independently hosted and involved Council Officers and ING setting out the financial, development and economic reasoning behind the changes to the delivery of the scheme, the community consultation framework and questions being posed to the community. The consequences of the result of the consultation to Bo'ness were also outlined. The meeting was attended by 109 members of the public and they had an opportunity to express views and ask questions of Council officers or ING regarding changes to the development phasing and consequences for the harbour.
 - 6) The drafting, printing and delivery of a newsletter to every Bo'ness household by 28th May. The text of the newsletter:
 - detailed the original community aspirations, marketing process, and selection of ING as the Council's preferred developer.
 - illustrated the original ING masterplan proposals, detailing why this scheme was no longer viable
 - confirmed the revised ING proposals for delivery of the masterplan and future opportunities for delivery of the scheme
 - directly offered the option of a response from the community, with a tear off slip requesting a Yes or No preference to the revised scheme progressing. The opportunity for further comment was given.
 - Instructions for returning the slip to either a FREEPOST address, or hand delivery to the consultation mail box in Bo'ness library by Friday 13th June.

- 7) Final public meeting held at Bo'ness Town Hall from 11am to 12.30 pm Saturday 14th June again independently hosted, to feedback to the community on the outcome of the consultation process.
 - 8) Canvassing of opinion by established local community groups. This resulted in letters or comments being supplied by these groups in regard to the revised proposals.
- 3.6 The approach to the consultation and the results obtained from each of the above activities are summarised in the Consultation Report, available as background to this report.

4.0 CONSULTATION - NEWSLETTER DELIVERY

First Distribution Phase

- 4.1 The Newsletter was printed in-house by the Council and an external distribution company engaged to undertake delivery of the newsletters. However, following delivery of the newsletters by the distribution company it became apparent within one week that not all streets within Bo'ness had received the newsletter. Several emails and phone calls were received from the community, community group representatives and local members expressing frustration at this development.
- 4.2 The streets were checked against returns, where respondents had been asked to state their postcode on the return slip. Cross checking and plotting of postcodes confirmed the position with no return being recorded from the streets identified by the community.
- 4.3 This was an extremely disappointing position given the credentials and quality assurances offered by the distribution company. The company had been used previously by Falkirk Council, other local authorities and public bodies to deliver mail distributions to the community.

Second Distribution Phase

- 4.4 Immediate steps were taken to redress this position;
 - 3,000 further newsletters were printed (in the same style and colour as previously) and delivered by Council staff on the 6th, 8th and 9th of June to the addresses identified
 - Further advertisements were taken in the Bo'ness Journal with a direct Falkirk Council telephone number for households to phone and notify non-receipt of a newsletter and request a copy.
 - Website updated to inform the community of developments, the contact number and additional deliveries being made.
- 4.5 As part of this combined process 570 slips were returned from the first and second phases.

Third Distribution Phase

- 4.6 Despite earlier distributions, reports were still received that a minority of households at certain addresses had not received newsletters. This was despite several returns recorded from these postcodes. To ensure all Bo'ness residents and businesses received the newsletter, a further print of 7500 newsletters was undertaken and delivered by first class Royal Mail post on 12th June. The consultation exercise was also extended until Friday 20th June. This additional newsletter was printed in a different colour wash to differentiate it from earlier distributed editions. As a result of this process 395 slips were returned.

5.0 WEBSITE - CONSULTATION

- 5.1 The website provided full details of the revised proposals and additional information concerning the consultation. An online consultation and survey was also available. Several complaints were received with regard to the operation of the website. Each complaint was investigated and there were found to be no faults with the operation of the system. As each computer registers a vote within the online system, computer IP addresses are registered to prevent further voting and consequently prevent multiple voting on the website from one computer.
- 5.2 In a recent review of Council websites, Audit Scotland found the Council's website to be an example of good practice and in compliance with the web content accessibility guidelines 1.0 which is the government target standard in this area. Further, an external survey of UK Council websites, the site was ranked 13th and received the highest rating of any Scottish Council. The online consultation system was procured by Falkirk Council as part of the website has been used on many other Council exercises with no complaints received.

6.0 CONSULTATION RETURNS ANALYSIS AND COMMENTARY

- 6.1 A Consultation Report has been produced as background to this report, providing full details of the overall consultation method and information supplied to the Council, and an analysis of the results obtained. These results have been examined by the Council's Research staff, who confirm that the responses received provides a representative geographical spread across Bo'ness and a response rate constant with response rates to similar surveys.
- 6.2 It was stressed at each point that the consultation exercise was not a referendum or an election. As a result the views expressed represent a combination of views obtained from whole households as well as individual views expressed by letter or online.
- 6.3 Particular areas of concern raised by the community include:

Six Storey Blocks

Repeated concern was expressed at public meetings and in newsletter returns about the prospects for development of six storey blocks throughout the Foreshore area. Council officers and ING have emphasised that these proposals were indicative and would be subject to formal planning approval. The revised scheme is on the basis of the approved masterplan, this shows a two, three and four storey townhouse and apartment development with five storey architectural feature elevations at key points in the development. In the case of blocks 15 & 16, two, six-storey corner features were identified. This has been incorrectly represented to the community as proliferating across the scheme and has been used as a basis of principal objection to the revised ING proposals.

Land Sold to ING too cheaply

Claims have been made that the Council's proposed transfer of assets would not obtain best price for the land. However all values associated with the scheme were subject to independent verification by either the District Valuer or independent consultants. This includes allowances for the costs to rectify the extensive mine workings and contamination on site and infrastructure investment required to service Blocks 15 and 16. The independent advice has verified for the Council, that it will receive best value for its land from ING's proposals. All additional values from future plot sales will be reassessed on an open book basis with 100% additional value over and above developer profit at 12% being ring-fenced for ongoing harbour restoration.

Re-tendering the Project

It was suggested by several respondents that the scheme should simply be re-tendered. Schemes for the regeneration of the foreshore area had been discussed for Bo'ness for the last 30 years, with little or no progress. The foreshore and harbour opportunity was extensively marketed by Falkirk Council in 2003 and ING were selected as the Council's preferred developer. This was on the overall quality of their submission. The fact that they chose to proceed initially from the harbour was an added element in favour of ING, but it was not the determining factor.

Work by ING, verified independently, determined that the costs associated with the restoration of the harbour make the project unviable in the current economic climate. ING have publicly confirmed their commitment to deliver the whole masterplan but in a structure that reduces the extent of financial risk.

On the basis of identified development and infrastructure costs, independent consultants for Falkirk Council have confirmed that it is highly unlikely that another developer will be secured for the development of the foreshore, particularly where redevelopment and restoration of the harbour as the first phase of development is made a precondition for overall development.

Were the project to be retendered, the regeneration of the harbour would be likely to be delayed by three to five years, possibly longer. This has been stressed to the community throughout the consultation process. Again there has been concern at how this and other inaccuracies have been reported by the groups opposed to the scheme.

Safeguard Harbour Regeneration

Concerns were expressed regarding the legal agreements needed to safeguard the regeneration of the harbour. Whilst Policy and Resources Committee were asked to approve the heads of terms for a development agreement which saw the restoration of the harbour as the first phase of development, the actual legal negotiations to conclude this transaction were never finalised. This was due to the difficulties in finalising the cost of delivering the scheme, the changes in the external financial markets and consequential effects on risk to the developer. ING have insisted that they are unable to commit legally to delivery of the harbour as the final costs of this remain unknown. Their revised scheme suggests that the regeneration can be achieved by working in partnership, channelling funds from the development into the restoration of the harbour.

Town Centre Impact

Concerns have been expressed that the town centre will not benefit specifically from these revised proposals and that the additional business and trading activity expected from the scheme will not be secured. However others have expressed the view that the additional households attracted by the housing development will add to the footfall in the town centre.

6.4 It should be noted that many comments were supplied in support of the scheme progressing. These expressed the following:

- The town needs the investment and must make a start
- Concern at the loss of future investment if ING's proposal is rejected
- The town centre will benefit from the scheme
- The scheme will restore vitality, attracting new jobs and business to the town
- Acceptance that the harbour and marina developments may take time

6.5 There are many additional comments supplied in the responses to the consultation. A commentary has been supplied in the Consultation Report in relation to each comment provided by respondents opposing the scheme.

7.0 CONSULTATION OUTCOME AND WAY FORWARD

7.1 The consultation exercise has been extensive and has generated a significant degree of local interest, engaging local people, businesses, community groups and the local press. It was intended to secure opinion by a variety of means in order to reflect views from across the whole of the community. There has been an extensive debate and examination of the issues involved and this permits valid conclusions to be reached on the opinions of the Bo'ness community concerning the scheme. This enables the Council's decision to be informed by a variety of sources, including surveys, representations and correspondence.

7.2 The outcome of the Consultation is summarised below:

CONSULTATION METHOD	Number of Returns	Percentage
Newsletter slip returns:		
<i>First & Second Delivery Phase</i>		
YES <i>(in favour of scheme proceeding)</i>	290	50.9%
NO <i>(against scheme proceeding)</i>	280	49.1%
Total returns	570	
<i>Third Delivery Phase</i>		
YES <i>(in favour of scheme proceeding)</i>	205	51.9%
NO <i>(against scheme proceeding)</i>	190	48.1%
Total returns	395	
Website - <i>online response</i>		
YES <i>(in favour of scheme proceeding)</i>	214	44%
NO <i>(against scheme proceeding)</i>	272	56%
Total returns	486	

- 7.3 Responses to postal surveys are normally low (less than 10% can be expected), however the percentage responses at 7.6% and 5.23% respectively provide a reasonable and valid response by the community. The results suggest that, while views in the community are fairly evenly split over the decision to commence, a small majority of local people would like the scheme to proceed.
- 7.4 It was considered important to canvass opinion from within the community through the various groups active in the area. Interest in the scheme increased with the announcement of the proposal and a dedicated pressure group, the Bo'ness Residents Harbour Group, formed to convey opinions against the scheme. Each group was encouraged to seek opinion from within its membership, to participate at the public meetings and to supply a summary of its responses on the scheme.
- 7.5 Copies of the responses received are included in the Consultation Report. In summary, these responses are as follows:
- a) **Bo'ness Community Council.** The Community Council convened a meeting attended by representatives of the local community, Council and ING. Following this debate, the Community Council members voted in favour of the proposal by 10 votes to 2. This is an important indicator of opinion as the Community Council are a statutory body, established to engage with, consult and express opinion from within the community.
 - b) **Bo'ness Means Business.** This is an active group of local businesses who engage extensively with the work of the local Town Centre Management team and have organised a number of events in the community. The group considered the revised scheme and agreed a resolution that:

"Bo'ness Means Business regrets the change to the phasing but supports the Harbour Development and looks forward to working with ING and Falkirk Council to help maximise the benefit to Bo'ness and the economic sustainability of the town."
 - c) **Bonnie Bo'ness** This group has played a prominent role in measures to enhance the town, promoting environmental projects such as the recent Miners Memorial. The group supplied a letter confirming its support for the project to proceed.
 - d) **Scottish Railway Preservation Society (SRPS).** This organisation plays an active part in the tourism activities operating in the town, with its railway museum and steam railway attracting 65,000 visitors annually. SRPS consider that the new proposal offers the best current opportunity to generate the funding required to redevelop the harbour area. They are keen to see the delivery of the scheme and will assist in its delivery.
 - e) **Bo'ness Traders Association.** This group represents a number of traders in the town and has provided comments against proceeding with the revised proposal, suggesting that efforts should instead be directed towards increasing trading and footfall in the town centre.

- f) **Bo'ness Residents Harbour Group.** This group has provided a number of letters and correspondence against the proposal citing concerns about the land values, ING's commitment to the harbour, six-storey developments and the Council's handling of the decision to proceed with ING. This group channelled the views of many of those opposed to the scheme and its members were active participants in the various events. They were also invited to participate in the Town Centre Development group meeting.

7.6 The Consultation exercise has been extensive and has highlighted the strength of opinion in the Bo'ness community concerning the development. The range of views expressed gives a solid basis for the Council to express its views on the progress of the scheme.

7.7 The results of the consultation exercise suggest that, while opinion is divided in the Bo'ness community, there is a balance in favour of progressing. The positive response in the household survey and the expressions of support from community organisations who have had a longstanding involvement with the town adds weight to the scheme progressing. The specific criticisms supplied by groups opposed to the scheme are addressed in paragraph 6.3.

7.8 It is important to consider the overall benefits to be secured in proceeding with the revised proposals for Bo'ness to be delivered by ING Real Estate. These will secure:

- the commencement of works to regenerate the foreshore and the harbour area
- a partnership for the community, Falkirk Council and the developer to work together in delivering the scheme
- investment by ING of up to £28.5m in the first phase of works
- expenditure of £2.9m to regenerate the harbour
- attraction of an additional 137 households to the town, increasing income to the town and footfall to the town centre
- a significant expression of confidence in the regeneration of Bo'ness and that, despite current market uncertainty, development in the town can proceed.

7.9 It is therefore recommended that the Council should agree to proceed with the revised offer made by ING. This will enable the completion of a Development Agreement, on the terms set out previously in the report to Policy & Resources Committee of 11 March 2008 and the commencement of a work programme to initiate the development. The Council's decision on the outcome of the consultation will be communicated via the website and press and efforts to progress the scheme with the support and involvement of the local community will continue via the Development Group.

8. CONCLUSION AND RECOMMENDATIONS

8.1 The community consultation exercise that has been undertaken by the Council has demonstrated the strength of interest and commitment to regeneration within the community. The importance of the decision was fully recognised and that has been demonstrated in the high degree of involvement and the strength of opinion expressed. It is suggested that the views expressed by the groups opposed to the scheme, can be tackled in progressing the scheme and need not prevent its progress. The revised scheme proposed by ING represents a positive way forward for the regeneration of Bo'ness. It is an expression of confidence in the town and in the Falkirk area. It is therefore recommended that the Council should affirm its support for the project proceeding.

8.2 It is recommended that the Council:

- i Notes the extent and outcome of the consultation on the proposed rephasing to the Bo'ness Initiative and the comments supplied in response to the views of the community as set out in this report.**
- ii Agrees that, having considered the outcome of the consultation, the revised phasing of the Initiative should proceed and that the Director of Community Services be authorised to work with ING RED UK (Bo'ness) Ltd, with ING RE BV as guarantor, to progress and deliver the regeneration masterplan and finalise a Development Agreement on the terms set out in the original Policy & Resources Committee Report of 11 March 2008.**

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Director of Community Services

List of Background Papers

- 1. Bo'ness Regeneration Consultation Report
- 2. Bo'ness Town Centre Regeneration Consultation File
- 3. Report to Policy & Resources Committee 11th March 2008