

**HITCHIN COMMITTEE
11 SEPTEMBER 2018**

***PART 1 – PUBLIC DOCUMENT**

TITLE OF INFORMATION NOTE : CHURCHGATE UPDATE

INFORMATION NOTE OF THE DEPUTY CHIEF EXECUTIVE

EXECUTIVE MEMBER FOR FINANCE AND IT

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1. SUMMARY

- 1.1 This information note is provided in order to update the Committee on the proposals for the regeneration of the Churchgate Shopping Centre which were considered by Full Council on 8 February 2018.

2. STEPS TO DATE

- 2.1 Full Council received a report on a proposal for the regeneration of the Churchgate Shopping Centre and adjacent Hitchin Market and public realm, whereby the Council would work in partnership with Shearer Property Group. That report set out the initial indicative proposals for the area, with the Council acting as funder for the regeneration. Full Council agreed to support the principle of joint venture regeneration with the Council as funder and authorised that negotiations progress on the terms of a potential joint venture, subject to Full Council's final approval.
- 2.2 Cabinet on 27 March 2018 received a report on the Future Management of Hitchin Market, given the expiry of the contract with Hitchin Markets Limited (HML) on 31 July 2018 and in light of the proposals for the regeneration. One of the options considered, as indicated in the Full Council report, was whether to bring back in-house the management of the market. Cabinet decided to defer a decision on the future management of the market until there was greater clarity on the deliverability of the proposals for the Churchgate Centre and Hitchin Market. Authorisation was given to enter into negotiations with HML to extend the existing management contract.

- 2.3 In March and April 2018 the Council carried out a survey seeking the views of people who live and/or work in North Hertfordshire on the broad principles of the proposals considered by Full Council, in order to inform our thinking going forward. The survey was carried out online, although paper copies were also made available on request. Additionally some members of the community took the opportunity to put forward their views generally, rather than answer the survey.

3. INFORMATION TO NOTE

- 3.1 Over the last few months negotiations have been progressing with Shearer Property Group (SPG) on the terms of a deal between SPG and the Council. These negotiations have been informed by legal and financial advice, in order to ensure the structure of the relationship gives the proposals the best possible chance of succeeding whilst complying with the various statutory obligations on the Council. Negotiations are ongoing on the proposed Heads of Terms, which would be reported to Full Council for approval prior to any work being undertaken on the detailed legal agreements which would be required for a project of this nature. Full Council would then be reported to, to make a final decision once those legal agreements had been negotiated.
- 3.2 Agreement has been reached with HML on the terms of an extension to their management contract and that new contract commenced on 1 August 2018. As with previous management contracts with HML there are clauses protecting the Council's position in the event that the regeneration proposals are able to proceed.
- 3.3 In July the Council published the results of the overwhelmingly positive response to the questionnaire. The results have been published in full on the Council's website, accompanied by an Executive Summary of the key findings. Members received copies of the summary and results in Members Information Service. The survey generated responses from 578 people, with some 86% of respondents supporting the idea of regenerating the existing Churchgate Centre to provide improved shop units. An overwhelming majority (93%) of respondents also supported the principle of investing in Hitchin's market to ensure it is fit for the 21st Century.
- 3.4 Key Findings:
- The consultation received 578 responses in total, with 76% of respondents living in Hitchin, 12% living in a village or rural area in North Herts and 6% living in Letchworth.
 - 86% of respondents supported the idea of regenerating the existing Churchgate Centre to provide improved shop units.
 - Respondents who visited the Churchgate Centre less often than fortnightly were asked what would make them visit more often. The top three responses were: more attractive environment (79%), better quality shops (71%) and more attractive buildings / shop fronts (67%).

- When asked whether they support the principle of regenerating the public space to the rear of the Churchgate Centre, including opening up the views of the Church from the market, 76% of respondents said yes, 11% said no and 13% didn't know.
- The vast majority (93%) of respondents supported the principle of investing in Hitchin's market to ensure it is fit for the 21st Century.
- When asked what types of regular stalls they would like to see in an improved market, the most popular response was food and drink i.e. food consumed at home (81%), followed by street food e.g. tapas (77%), with antiques and home-wares receiving 53% and 50% support respectively.

3.5 The results show that there is widespread support for a scheme to improve both the Churchgate Centre and the Market. The feedback is being used to help inform the development of the proposals moving forward. The results for improving the public space in the area also received a positive response, however there were a significant proportion of people who either didn't know if they supported this proposal or didn't support it. In any future consultations plans for this part of the proposal in particular will need to be explained in more detail.

3.6 If the proposals progress there will be further opportunities for public consultation. One of the Council's requirements in the negotiations on the potential Heads of Terms is that a Consultation Strategy be agreed as part of the detailed legal agreements.

4. NEXT STEPS

4.1 As stated in 3.1 above negotiations are ongoing on the potential Heads of Terms between SPG and the Council. The outcome of those negotiations will be reported to Full Council in the near future to make a decision on whether to proceed.

4.2 Provided a suitable, viable, proposal has been agreed by Full Council further work would then be required on the legal agreements which would be reported back to Full Council for final approval.

4.3 Further steps beyond that would be determined by the requirements of the approved legal agreements.

5. APPENDICES

5.1 None.

6. CONTACT OFFICERS

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7. BACKGROUND PAPERS

- 7.1 Full Council report and minutes - <https://democracy.north-herts.gov.uk/ieListDocuments.aspx?CId=136&MId=154&Ver=4>
- 7.2 Cabinet report and minutes - <https://democracy.north-herts.gov.uk/ieListDocuments.aspx?CId=133&MId=161&Ver=4>
- 7.3 Consultation results - <https://www.north-herts.gov.uk/home/council-data-and-performance/land-and-property/hitchin-churchgate-regeneration>