

## **Civic Development: Report of the Independent Panel**

### **Background**

1. Tunbridge Wells Borough Council has approved a plan to build a theatre, civic buildings and offices incorporating an underground carpark, on the edge of Calverley Grounds, to be called Calverley Square. This plan was designed to address a number of issues connected with the Town Hall and the Assembly Hall on the current Civic Way site. In May 2019, the proposal to compulsorily purchase some additional land was confirmed by a Planning Inspector while at the local elections, several borough councillors were elected on platforms opposed to the Calverley Square plan.
2. RIBA stage IV costs for the planned development together with recommendations on developing the civic buildings were recently received by TWBC. Total gross costs are now estimated at £108m. The increase of £18m on previous estimates is partly offset by lower financing costs through reduced interest rates and assumed contributions from Kent County Council and other sources.
3. The choice facing TWBC now is whether to press ahead with the proposed development, with or without modifications, or to revert to an earlier stage in the plan and to consider alternative ways of fulfilling their objectives.
4. The Town Forum has largely remained silent on the project. In response to public concerns about the project, the Chairman of the Town Forum, formed a Panel to consider the extent to which the plan meets the objectives, whether there are new issues to consider and/or alternatives that merit consideration. The Panel received cross-party support for its approach.

### **Objective**

5. In a context of promoting Royal Tunbridge Wells economically, culturally and socially, to explore a range of views and to recommend an approach to solving two underlying issues:
  - The future of the Town Hall
  - The future of the Assembly Hall
6. The Panel is committed to sharing what emerges from its work openly and transparently. As a starting point, it will share its findings in writing with TWBC elected members.

### **Purpose**

7. The Panel was formed to:
  - confirm whether the original objectives were still relevant in light of stakeholder concerns;
  - establish how far these concerns could be met through modifying the existing scheme, by communicating the proposal more clearly or by identifying alternatives; and
  - propose a sequence of potential decisions leading to a comprehensive solution.

### **Membership**

8. While it would have been impractical to achieve full representation across all interest groups, it was felt important for the panel to have a range of expertise and background. The panel included residents of the borough that live in and outside the town and someone from outside the borough. The panel included those with expertise in retail development, finance, real estate, theatre management and local government.

## Approach

9. The Panel reviewed a number of key documents and evidence from the CPO Public Inquiry (both for and against the project).
10. The Panel interviewed more than 20 stakeholders with a range of views about the scheme to understand what they felt were the positive and negative factors about the Town Hall, Assembly Hall and Calverley Square following the CPO Inquiry decision.
11. Each interview was carried out by 2 or more members of the panel and lasted around one hour. The interviewees were encouraged to provide their views on areas not covered in the CPO Inquiry and their alternative ideas. A schedule of detailed comments is attached to this report, grouped into categories of similar themes.
12. Although detailed notes were kept for each interview, we undertook not to attribute comments to individuals.

## Findings

### ***How people are feeling? “They want something to happen”***

13. All interviewees demonstrated passion for Tunbridge Wells and contributed positively to the discussions. They showed energy and commitment and shared, to a person, a desire to see “something happen” in the centre of the town to enable it to flourish. There was a widely held concern that the town centre is “losing its edge” and that it is crucial to enhance its vitality and prosperity. Nobody we met was objecting to progress – in fact quite the opposite.
14. It is also clear from our discussions and what we have read and seen, that democracy, public engagement and civic pride are ‘alive and well’ in Tunbridge Wells. This, combined with the passion and interest that we came across, has the potential to be a considerable force for good in the town. Unfortunately, it is quite often manifested at present in an atmosphere that can only be described as toxic. It was saddening to hear people talk of feeling “threatened” and “scared” and being unwilling to contribute to public debate and discussion on this issue.

### ***Is there any common ground? “Yes, a surprising amount”***

15. Clearly the positions adopted by some are deeply entrenched and the situation has moved beyond the point where public debate is reasonable. It is therefore important to highlight just how much common ground we identified during our discussions with people from ‘all sides’. This can perhaps be defined as a set of policy objectives, constituting the following:
  - Re-vitalising the town centre in order to enhance the prosperity of Tunbridge Wells via employment and culture, with the status quo not being an option;
  - Making the most of the assets of the town centre – including the Town Hall, Assembly Hall and Calverley Grounds – and the wider borough and capitalising on Tunbridge Wells’s heritage; and
  - Enhancing the cultural offer of Tunbridge Wells and potentially broadening to a creative economy embracing the growing technology, communications and marketing sectors in the town.

***So why the discontent? “multiple, varied objections to the overall proposal”***

16. Given the common ground that exists, the obvious question is why there is so much discontent and how the current atmosphere has arisen?
17. The Panel observed this from a position of strict neutrality and we do not believe that we have come to see and understand all the motivations and agendas that exist. In fact, we deliberately sought to avoid ascribing motivations and only to reflect the views given to us.
18. While people are keen to see “something happen” in the town centre, there is less consensus on what that should be. There was much concern about the Council’s approach to public engagement with a strong sense that it could have been better. It is clear that the objectives of the scheme are not widely understood and that rumour, speculation and misinformation abound. People suggested that engagement was about an already defined package of proposals – almost ‘take it or leave it’ – as opposed to an approach that would have enabled ideas to grow from the ground up. This has opened up the Council to criticisms of being opportunistic – weaving together a set of challenges facing the town and the Council and presenting the proposals as ‘the only solution’.
19. The issue that seems to be at the forefront of everybody’s minds – although nobody articulated it in such a way – is that of overall legacy. In the absence of a town centre plan, or even of a plan for the present civic buildings, they are asking what it is that the current proposals will deliver both over the next few years and for future generations. The views ranged from a potential panacea for all the current challenges to ‘white elephants’ and financial disaster. A common view among those that we met was uncertainty about what the legacy of a single large development would be.

***Is the evidence believed? “Often not, for a variety of reasons”***

20. Despite the outcome of the Compulsory Purchase Order Inquiry, we found little confidence that the evidence put forward supported the proposals comprehensively. Examples of issues include:
  - the case for the Council vacating rather than re-purposing the Town Hall for a wider range of uses;
  - the need to replace the Assembly Hall with a new theatre, as opposed to making a greater success of its existing potential and aiding this through redevelopment;
  - the potential for a new theatre to succeed in the market and, at the same time, to meet the needs of a range of other potential uses and users of its facilities; and
  - the financial and commercial elements supporting each of the components presented as an economic business case to support any local government accounting format.
21. Further issues emerged as we explored more detailed areas, including the acoustics of the proposed new theatre, the ability of the town’s infrastructure to cope with the size of vehicles needed to service the new theatre in a few years’ time, the level of demand for additional office accommodation in the town centre and the business case for the underground car park.
22. With a focus on securing the best possible ‘legacy’ for Tunbridge Wells, all those interviewed accepted that a large-scale regeneration project always carries uncertainty. But in a period of austerity and financial uncertainty, for many the risk and cost of getting it wrong are currently too high.

### ***Ways forward***

23. September 25<sup>th</sup> represents a pivotal decision-making moment with the Full Council set to vote on the proposals. Asking the full Council rather than the Cabinet to decide reflects the importance of the decision and reinforces the notion of democracy being alive and well in Tunbridge Wells.
24. The conclusion of the Panel is that there are two ways forward in relation to the proposals. We acknowledge may be obvious but feel it is important to outline what we see sitting behind both of them to aid the Council's deliberations. These two options are:
  - ***To press ahead and implement the proposals with certain precautions***
  - ***To reconsider the different components of the scheme***
25. We believe it would be a mistake to see the next decision as a simple binary yes or no to the current proposal, but as an opportunity to make positive use of the work that has already been done. In deciding to reconsider it would be critical to deploy energy and urgency to minimise the time lost while exploring the options.

### **Pressing ahead**

26. Taking a decision to press ahead requires the Council – both officers and elected members - to be prepared to defend their convictions. The Council has driven these proposals over several years. Doing so has required huge efforts, tremendous resolve and a deeply held belief in the benefits but has been insufficient to convince enough people across the borough. In democratic terms, a price has been paid for that.
27. It remains an option to take confidence from the outcome of the CPO Inquiry and seek to secure a decision of the Council to proceed. Crucial to achieving this will be intense activity to communicate widely and clearly the issues of the proposed scheme and the supporting evidence. This is crucial in the context of widespread rumour, speculation and misinformation.

### **Reconsidering the separate elements of the scheme**

28. Taking a step back to reflect and then move forward again can entail either continuing with the same set of proposals or with alternative ideas. Either way, the crucial element will be ensuring sufficient evidence exists, and is well enough understood, to convince people that the direction is reasonable and the components will deliver on the objectives. It will be necessary to have absolute clarity about the objectives and to generate confidence that there will be a legacy beyond providing the buildings.
29. Clearly any pause absorbs time and this does not fit well with either the desire that exists for people to see “something happen” to re-vitalise the town centre or the financial risks in a delayed project. However, if a limited delay enables a process which commands a higher level of support, it would represent time well-invested. What nobody wants is the risk that nothing happens. After a similar upheaval in 2009-10, this is not the first time that Tunbridge Wells has looked at an initiative of this type. **We cannot allow another decade to go by with everybody recognising the status quo as unsatisfactory.**
30. Thus any pause needs to be brief and followed by what someone who happens to be critical of the proposals described as a move to determine a way forward **“without delay and with considerable energy”**. In doing so, the council will need to continue to demonstrate the strength of character that it has shown to date to look for positive changes to its proposals. Any plan for a significant scheme in a place such as Tunbridge Wells is going to meet with a degree of criticism and objection. Minimising hostility requires a process of communication and engagement and a weight of evidence made available.

## **Summary recommendations**

### ***Recommendation 1: Disaggregate the proposal into its component parts, starting with assessing the future of the Council's existing assets.***

31. Agreement on an overall plan for the current civic buildings is a prerequisite for making decisions about the proposed development. Using the plan as a yardstick makes it easier to assess the business case for the successive further steps. Indeed, agreement on some may be possible in short order, enabling further consultation with those with specialist knowledge of the more complex elements. Any delay in decision-making should bear in mind cost penalties. While such a review is unlikely to conclude in less than three months, it should certainly do so within six months.
32. The Panel identified the following components with a suggested order of decision-making:
  - a. Theatre & cultural strategy**
    - i. The type and size of theatre and programme mix needed to make a significant contribution to TWBC's cultural strategy.
    - ii. Whether the Assembly Hall site can accommodate such a theatre in a way that is financially viable, either standalone, or including the adjoining land.
    - iii. If the Assembly Hall site is not appropriate, review the proposed plan for a theatre at Calverley Square, with or without changes.
    - iv. Consider whether (and when), wherever sited, the theatre should be run by a partner.
  - b. Town Hall and council offices**
    - i. Evaluate the full range of potential uses for the existing Town Hall site:
      1. civic and community functions – especially Councillor activity;
      2. other TWBC functions – public engagement and support services;
      3. commercial uses.
    - ii. Whether financing such a project be borne alone by TWBC or with a partner.
    - iii. Consider the most practical and effective location for TWBC civic functions and administration
  - c. Mount Pleasant Avenue:** whether the business case exists to build offices on the carpark:
    - i. if so, consider if the value from the scheme should be a revenue stream or a capital item;
    - ii. if not, consider how best to realise the site value.
  - d. Car parking:** Assuming offices are built on Mount Pleasant Avenue, consider the business case, including environmental considerations, for building a public car park underneath, including:
    - i. a full analysis of supply / demand for car-parking in the town;
    - ii. alternative options for meeting any requirement;
    - iii. evaluate the financial costs of parking under Calverley Grounds.

***Recommendation 2: Present a clear business case for each individual component***

33. Presenting the financials in the format of a local council budget fails to recognise the economic value created. Examples include:
- The business plan for the theatre achieves break-even within 5 years, whereas the TWBC budget assumes a £350,000 subsidy is required. Clearly, there are risks attached to achieving breakeven, but presenting a budget subsidy clouds the business decision;
  - The current value of the Town Hall/Assembly Hall is stated as £9m but 'building on the site would not increase its value', whereas the current site value is future site value less development costs;
  - No current or future value of the Mount Pleasant Avenue site is quoted;
  - No evidence is provided about the value of the new car park. The current assumption is no additional revenue, despite theatre projections which assume more people coming to the theatre. If there is insufficient car parking elsewhere, this means more car parking revenue. If cars can be parked elsewhere, the car park adds no value; and
  - The opportunity cost of TWBC occupying space is ignored. The value of the space occupied by TWBC needs to be clearly stated, wherever located.
34. Although the way in which the project is financed is important, it should not be allowed to cloud the fundamental decision about whether each component represents a compelling business case.

***Recommendation 3: Undertake full engagement with the public on successive decisions.***

35. Looking more widely, we encourage TWBC to weave the following into its thinking about how to move forward:
- establish a Commission, with Council membership but with much wider representation, to steer the engagement, debate and planning around the proposals. A key purpose of a Commission would be to harness the passion, energy and interest that we came across and enable it to act as the force for good in the town that it could become;
  - develop the proposals within the context of an overall town centre plan and the emerging Local Plan, in order to address the challenges and opportunities identified; and
  - consider the potential to extend the ambition for Tunbridge Wells' cultural offer into something broader – potentially a 'creative economy'

***Finally***

36. We wish to thank everybody that contributed to the process in which we have been engaged. We recognise this is only a small proportion of those with an interest and stake in the future of what is delivered. Our belief in the potential of Tunbridge Wells – both town and borough – and the people within it has been reinforced through the course of our work. Those that we met felt engaged by the project as it enabled them to contribute positively and constructively. We believe that this can and should be built upon as Tunbridge Wells seeks to move forward.

***We believe that a way forward can be found which builds on the work done so far and can command support from councillors, residents, businesses, and other stakeholders***