

10.00 am, Thursday, 10 March 2016

St James Quarter – Update on Progress

Item number	8.2
Report number	
Executive/routine	
Wards	11 – City Centre

Executive summary

This report seeks to inform and update the Council on the working arrangements between the City of Edinburgh Council, the Scottish Government and TH Real Estate in the delivery of the Edinburgh St James development.

The report further informs on:

- (i) the Growth Accelerator Model (“GAM”) that was first reported on 1 May 2014;
- (ii) the Compulsory Purchase Order reported on 29 May 2014;
- (iii) progress generally on the Edinburgh St James project and surrounding area, viz Picardy Place, which was last reported on 25 September 2014;
- (iv) future Council project monitoring arrangements; and
- (v) the future cross-party Members oversight of the project during the construction phase and up to the new centre opening.

Links

Coalition pledges	P8 , P15 , P17
Council outcomes	CO7 , CO8 , CO9 , CO19
Single Outcome Agreement	SO1 , SO4

St James Quarter - Update on Progress

Recommendations

It is recommended that Council notes:

- 1.1 That Council has committed to the Growth Accelerator Model (“GAM”) Agreement with TH Real Estate under the delegated authority to the Chief Executive, which was approved by Council on 19 November 2015 (details of the Agreement are to be made available again to Members in the project data room);
- 1.2 That the Council has committed to the funding agreement with the Scottish Government as part of the Scottish Government annual contributions to the GAM agreement, as approved by Council on 1 May 2014 and 19 November 2015 (details available to Members in the project data room);
- 1.3 That up to £61.40 million new potential borrowing for GAM works which would be maintained and repaid over a period of up to 25 years through a combination of public and private sector investment, all as approved by Council on 1 May 2014. Further noting that the present GAM works budget has been reduced to £52.40 million.
- 1.4 That TH Real Estate (“THRE”) continues to seek a negotiated agreement to acquiring the remaining interests, in parallel with the Compulsory Purchase Process (CPO) and to note the CPO progress to date;
- 1.5 That the Minute of Agreement (Agency Agreement) with THRE, as approved by Council on 29 May 2014, was varied by the Council’s Chief Executive in March 2016 under paragraph A4 of the Council’s Committee terms of reference and delegated functions (details of the variation and original agreement will be available to Members in the project data room); and
- 1.6 The past and future governance of the GAM works programme and the cross-party Members oversight of the project as detailed in this update report.

Background

- 2.1 St James Edinburgh Limited (“the Developer”) bought the St James Centre, including the now vacant New St Andrews House (the former Scottish Office building next to the centre) in May and June 2006.

- 2.2 The Developer, St. James Edinburgh Limited, is wholly owned by the Henderson UK Shopping Centre Fund (“HSCF”) who own the existing St. James Shopping Centre, King James Hotel and New St. Andrews House. THRE manage HSCF including all development activities.
- 2.3 It has been the long stated intent of HSCF to take in one or two equal co-investment partners from the project construction stages onwards and in late 2015 they internationally marketed two one third equal shares in the project to numerous sovereign wealth, superannuation and institutional funds and property and insurance companies.
- 2.4 Presently initial bids from investors have been rationalised down to three parties, who are currently working through second stage technical and legal due diligence before confirming their final bids at the end of February 2016. This then allows an 8 week period for legal documentation to coincide with the anticipated property vesting and construction start dates in May 2016.
- 2.5 On 4 June 2009, the Council approved planning permission in principle (08/03361/OUT) for the redevelopment, refurbishment and demolition works to provide a major mixed use scheme on the site of the existing St James Centre.
- 2.6 In accordance with the Recommendations of the St James Quarter CPO report to Council dated 29 May 2014, a CPO has been made and implemented for the St James Quarter redevelopment area, for the purpose of acquiring the land and property interests shown in the CPO Plans and Schedule of Interests previously presented to Council.
- 2.7 The Council Minute of Agreement (Agency Agreement) with THRE provides and delivers that in executing the CPO and supporting the project, all costs to the Council are being fully reimbursed and there is no cost to the public purse.
- 2.8 The signing of the Minute of Agreement (Agency Agreement) by St James Edinburgh Limited and the City of Edinburgh Council was completed on 4 September 2014 in terms which were considered acceptable by the Chief Executive, in consultation with the Council Leader and Depute Leader, to suitably protect the interests of the Council and secure reimbursement of all costs, fees, expenses and compensation claims which might be incurred by the Council arising from the CPO and the subsequent transfer to St James Edinburgh Limited of the property interests acquired, and such other terms as the Chief Executive considered necessary or desirable. The Minute of Agreement (Agency Agreement) was varied by the Council’s Chief Executive in March 2016 under paragraph A4 of the Council’s Committee terms of reference and delegated functions.
- 2.9 Management, governance, risk control and financial control are being implemented, are controlled through the Minute of Agreement (Agency Agreement) and have been the subject of a series of all-party briefings on progress by the Council SRO and a representation of Council Officers, which have been held between May 2014 and March 2016.

Compulsory Purchase Order

- 2.10 The Council at its meeting on 29 May 2014 delegated authority to the Chief Executive, in consultation with the Council Leader and Depute Leader, to make a CPO in respect of the property interests required for the St James Quarter redevelopment by the Developer, St James Edinburgh Limited (“SJEL”). The report also noted that various areas of Council owned land, which are required for the development, would be subject to a separate sale agreement, and the sale terms reported back to Committee for approval in due course. On 15 January 2015 the Finance and Resources Committee approved a delegation to the Director of Services for Communities and the Head of Legal, Risk and Compliance to agree terms and conditions for the sale and purchase of various pieces of land around the St James Centre to SJEL and also to grant a long lease of an area of ground to SJEL.
- 2.11 The Directorate for Local Government and Communities Planning and Architecture Division: Planning Decisions wrote to the City of Edinburgh Council on 22 February 2016. A copy of that letter will be issued to objectors. The letter contains the following paragraphs:

“Consideration by the Reporter

The reporter’s conclusions and recommendation that the Order be confirmed with modifications in accordance with the updated schedule of interest and updated maps lodged by the Council on 25 November 2015, are contained in Chapter 6.”

“Scottish Minister’s Decision

Scottish Ministers have considered carefully all of the evidence presented at the Inquiry and the reporter’s findings, reasoning, related conclusions and recommendation. Ministers’ conclude that the order is required to secure the carrying out of redevelopment of the St James Quarter, a project supported by national and development plan policy, where planning permission is in force for the redevelopment proposals and for which they consider there is a strong public benefit.”

“Subsequent Procedures

The order will become operative on the date on which notice of the confirmation is first published, but any person aggrieved may, within 6 weeks of that date make application to the Court of Session in terms of paragraph 15 of the First Schedule to the 1947 Act, as extended by Section 60 of the Land Compensation (Scotland) Act 1981.”

Acquisitions and Negotiations with Landowners

- 2.12 The Developer's approach to negotiations with landowners accords with the best practice guidance set out in paragraphs 7 and 8 of the Scottish Government Planning Circular 6/2011 - Compulsory Purchase Orders (the "Circular"), where the Scheme is large and complex with multiple interests to secure.
- 2.13 The Developer established a specialist land assembly team made up of Culverwell Property Consultants, Carter Jonas LLP and CBRE which has been and continues to progress negotiations with the remaining parties. These negotiations are monitored by Council officers and additionally key meetings are being chaired by the Council's SRO.
- 2.14 At the time of writing, six objectors remain, three of whom have interests which are not acquired by CPO.

Council Owned Land

- 2.15 The Council land parcels (see Appendix A) have been independently valued and these values have been agreed with THRE. On completion of the land transaction, the Council has a net gain of land in the area of 1,186.11 sq.m. and there is a nett transfer value of £683,000 in the Council's favour.
- 2.16 The small parts of road or footpath and a portion of St James Place considered common good, were presented to the Court of Session. Consent to dispose of these has now been confirmed by the Council.

The Growth Accelerator Model ("GAM")

Funding Mechanism

- 3.1 Given current fiscal constraints, the Council is unable to shoulder the cost of required borrowing within existing resources. A collaboration with the Scottish Government and Scottish Futures Trust on the newly developed Growth Accelerator Model was therefore recommended.
- 3.2 The St James Programme Board will support the St James SRO in considering decisions required to maintain the St James Traffic Management and Communications controls, which are embedded in the GAM Agreement. In addition, the Board will actively review Council resources to ensure that the consents requested meet the project programme and statutory targets.
- 3.3 This innovative new model of financing previously proposed a total borrowing of up to £61.4 million which would require annual repayments of £4.77 million over a 23 year period. This is two years shorter than the proposed 25 year term of the model.
- 3.4 The proposed GAM funding mechanism itself is a partnership between the Scottish Government, the Council and the Developer. Council borrowing costs would ultimately be completely offset by new income streams, subject to proposed targets being achieved.

- 3.5 It is further proposed that the remainder of the annuity payment be tied to the achievement of the following deliverables, resulting in three separate income streams to cover the remaining funding gap of circa £52.40 million:
- I a predetermined uplift in rateable value derived from within the St James Quarter itself (55%);
 - II an uplift in rateable values from within a wider area (excluding the St James Quarter) as a result of the catalytic effects of the new Quarter (25%); and
 - III the achievement of employment and training targets to support the long term unemployed and the harder to reach groups and areas (20%).
- 3.6 The Scottish Government contribution of up to £4.27 million is linked to the delivery of these three outcomes, over three years initially from 2020. However the timeframe will be reviewed if the targets are not met in this initial period. The Government's contribution is also linked to a proportional percentage performance against targets. So, for instance, if 80% of the respective targets are achieved, the Scottish Government will only provide for 80% of its contribution.
- 3.7 The risk of not meeting the above targets would sit with the Council. However, should the Council be unable to achieve these objectives because of unprecedented market changes, it is proposed that there is a renegotiation of the previously agreed long stop dates. This could enable the Council to realise a full funding commitment over the life of the project.
- 3.8 Another important feature of the model is that overall funding by the Scottish Government would be capped at £98 million to cover principal and interest payments. This would not increase over the life of the project. Any reduction in borrowing, due to lower than forecast infrastructure costs would be reflected in a corresponding reduction in the annuity payment from the Scottish Government and THRE.
- 3.9 As an incentive for the Developer to drive down the cost of the supporting infrastructure, for the first £700,000 of any reduction in the annuity payment, there is a proposed even split in the reduction of contributions between the Scottish Government and THRE. This would roughly equate to the first 15%, equivalent to first £9 million reduction in infrastructure costs. At this point, all future reductions in the cost of infrastructure would also result in a reduction of the annuity payment for the Scottish Government alone. However, any increase in borrowing requirement, or change in interest rate above 5.5% assumed, would be met by the Council alone.
- 3.10 THRE has agreed to share any surplus above normal returns on the wider investment. This surplus or "super profit", should it occur, would be split between the public and private sector. The exact mechanism and split has been determined in detailed negotiations between the Council with the Scottish Government and the Developer. This mechanism is detailed in the confidential project data room.

3.11 The Council approved the following GAM recommendations on 1 May 2014:

- That Council officers enter detailed discussions with officials from the Scottish Government and the owners of the Quarter, so as to refine and agree the operation of the new financial model. Those negotiations are now complete.
- That Council officers take forward detailed negotiations on the proposed funding mechanism, including setting up an oversight group to oversee the development of the Quarter. Those negotiations are complete and are as illustrated in Appendix B.
- Agreement to the three performance targets set by the Scottish Government as part of the condition for their annual contribution to the model. Negotiations are complete.
- That a new retail and hospitality skills academy be established within the development to provide training support for targeted employment opportunities for those furthest away from the market. The Academy will be in the management suite of the St James Centre and is illustrated at Appendix C.
- That a permanent new Shop Mobility scheme be included within the programme of works.
- That new charging points for electric vehicles be included within the programme of works.

Infrastructure Investment Plan

3.12 The Council has identified a programme of infrastructure works which would provide the necessary impetus to take the redevelopment forward. These include improvements to the physical environment at James Craig Walk, designed to increase the accessibility, permeability and the user experience of the areas; new public realm at Picardy Place, together with the provision of a transport interchange at the junction of Leith Walk, Leith Street & York Place. A new energy centre designed to provide power, heat and cooling to the development and, potentially, the wider area will also be constructed. The value of the new infrastructure was projected at up to £61.4 million; it is presently targeted at £52.40 million and will be managed and overseen by the GAM Oversight Group, comprising the Council, the Scottish Government and the Scottish Futures Trust. The public realm detail of the works is illustrated in Appendix D.

3.13 Redevelopment of the St James Quarter provides an opportunity to complement the transport improvements that will be delivered through the Leith Walk Improvement Programme. With additional funding from Sustrans Scotland, the programme will deliver major improvements for pedestrians and cyclists for the entire length of Leith Walk. The design has been informed by an analysis of the streets functions and its importance locally, as well as across the city as a major connector. In bringing together those programmes, the developments' interfaces can be seen as agreed and illustrated in Appendix E.

Development Funding/Viability

- 3.14 The issue of funding and viability is covered in the Circular noted under item 2.12 of this report. It states that the authority must satisfy itself that there is a “reasonable prospect” of (a) securing the funding both to acquire the land and then (b) to complete the Scheme over a “reasonable timescale” (i.e. scheme viability). The Council’s Head of Finance has been provided full access to all the Developer’s financial information and continues to monitor the full financial position.
- 3.15 In relation to the funding to cover the cost of the compensation claims and associated fees and expenses of making and implementing the CPO, these costs are covered by the Developer providing the Council with an indemnity to cover all such costs, all as detailed within the Minute of Agreement. The Minute of Agreement ensures that the Council is not legally committed to any acquisitions until the estimated compensation figures are agreed with the Developer and the Developer either places the Council in funds to cover the appropriate amounts or provides a bond to cover the costs. It is considered that the Council can be satisfied it has sufficient comfort on the ability of the Developer to cover the costs of the acquisition of the land which is likely to form part of the CPO. A variation to the Minute of Agreement (Agency Agreement) was made in February 2016 under the delegated authority that was given to the Chief Executive on 29 May 2014. External legal advice was sought and obtained in order to confirm that there is no risk to the Council in agreeing to this variation. The Minute of Agreement and the variation have been made available to members in a project data room.
- 3.16 THRE manage around £55.30 billion (as at June 2015) of real estate assets worldwide. The Henderson Fund has a net asset value of £680 million but despite the size of the fund, due to the length of development programme and scale of the project, the Henderson Fund is to secure both its own equity and that of a partner or group of partners who may in turn utilise a mix of debt and equity funding for the overall development costs currently estimated at £630 million. The marketing exercise for a partner/partners is now complete and the Developer has indicated that such agreements are to be in place by site start, as noted under item 2.4 of this report.

Economic Impact

- 3.17 The development as consented would deliver 50,700m² of high-quality retail space, 3,200m² of assembly and leisure space, a 210-bedroom five-star hotel, a 52-bedroom apart-hotel and 143 residential units.
- 3.18 A Council commissioned economic impact assessment published in 2013 found that the redeveloped St James Quarter was projected to support a net increase in employment in Scotland of approximately 1,000 full-time equivalent jobs and a net increase in the gross value added of Scotland of approximately £45 million per annum.

Programme

- 3.19 The Developer's indicative master programme for development shows demolition and site start in May 2016 with completion around 2019 for the retail element and around 2020/2021 for the remaining leisure and residential elements.
- 3.20 The Minute of Agreement stipulates that the Developer must start the development between 3 and 5 years after the CPO is confirmed by the Scottish Ministers and thereafter progress with all due diligence. The GAM works programme as at February 2016 is illustrated in Appendix F.

Consents and Agreements

- 3.21 The following consents and agreements are required:
- Building Warrants, including individual shop fit out warrants;
 - Traffic Regulation and Redetermination Orders and Stopping Up Orders;
 - Section 21 Road Construction Consent;
 - Section 56 Road Works Consent;
 - Any consents from statutory undertakers; and
 - Scottish Government Funding, committed at the point of signing the GAM funding agreement with the Scottish Government and prior to committing the Council to the GAM funding agreement with THRE.
- 3.22 It is considered by THRE as at February 2016 that any outstanding consents can be obtained within the development timescale and will not result in delays to the delivery of the Scheme.

Delivery Process of GAM Works

- 3.23 Agreement has been reached, based on a QC appraisal of the procurement and state aid regulations, as well as discussions with the Developer on a delivery process. This would allow, to the extent the public works fall within the relevant legislation, the publicly funded work packages to be procured by the Developer within OJEU, the procedural framework. Council officers would continue to monitor the situation as the detail of the work packages evolves to ensure no procurement regulations are breached. Reimbursement of these costs to the Developer, would only take place on practical completion of the whole project when new business rate revenues are being generated. The Developer will fund the works through the construction period. The Council and the Scottish Government will look to manage the approval process to ensure GAM value for money, maintain the upper limit of up to £61.40 million and continue to target a lower sum of £52.40 million.
- 3.24 The GAM works will be demonstrated to Council to be best value on an open book basis to the Council Monitor. The demonstration of best value will be to a detail of Bills of Quantities based on drawings and specification, all per the GAM Agreement as entered into by THRE and Council in February 2016.

Governance

- 3.25 A project interface has been agreed, comprising senior representatives from the Council, the Scottish Government, the Scottish Futures Trust and the Developer, THRE, to govern the overall delivery of the GAM project. This governance structure would also ensure that the Developer successfully undertakes all development works in accordance with an agreed timetable. As part of the governance, the GAM Oversight Group board would include Council Officers and the Scottish Government, with the Developer as observer only (see Appendix B).
- 3.26 The Council Programme Board will ingather knowledge to consider risk to the Project, risk to the GAM works, communications, stakeholder issues, St James traffic management control and the Council resources to maintain the project programme. Contained within the GAM Agreement is provision for dispute escalation and resolution (see Appendix G).
- 3.27 Opportunities to regenerate a prime city centre site on this scale are rare. The redevelopment of the St James Centre is a key objective of both the Strategic and Local Development Plans. Only one party, the Developer, who owns the majority of the site, can deliver this much needed redevelopment. Consequently, there are no alternatives which can deliver this regeneration project on another suitable site.
- 3.28 To ensure that elected members continue to receive the same visibility and reporting as has been provided by the Council SRO between May 2014 and March 2016, an all-party oversight group will be established to oversee the combined Tram and Leith Programme and the technical interfaces between the project and Edinburgh St James, including traffic management and wider community engagement. This new all-party group will also be briefed in detail on the progress of the Edinburgh St James development.
- 3.29 Communications protocols have been agreed between the Council and THRE and are now detailed within the GAM Agreement.
- 3.30 There is an opportunity for the Council to re-use the Leith Street bridge link. This opportunity will be further examined by the St James GAM Board and reported to elected members for oversight group direction.

Picardy Place

- 3.31 In the report to Council on 29 May 2014 a new development site at Picardy Place within the Council's ownership, created as a result of the junction reconfiguration at the top of Leith Walk, was proposed to accommodate the hotel relocation if required to facilitate the development of the St James Quarter. This site is no longer required to facilitate that development.
- 3.32 Given that the development site is no longer required by the St James development, at the Council meeting on 19 November 2015 the Council agreed to delegate authority to the Chief Executive to take forward the potential development site at Picardy Place to the open market, to engage marketing agents to provide a full marketing campaign and to seek tenders in order to

secure best value for the site's disposal. A report on the offers received will be brought back to Council for a decision on disposal and would also consider:

- i) The extent of any Common Good land and consent to dispose by the Court of Session;
- ii) The traffic implications of developing this site on wider traffic movements across the east of the city at this key traffic node; and
- iii) What the impact on active travel and place making would be if the site were released for development.

Lasting memorial to Nelson Mandela

3.33 On 4 November 2014, the Council's Corporate Policy and Strategy Committee agreed that a lasting memorial to Nelson Mandela, the former president of South Africa, should be sited within the St James development. On 24 March 2015, the Corporate Policy and Strategy Committee agreed to delegate authority to the Director of Economic Development to determine what form the lasting memorial should take and to negotiate and enter into a formal agreement with the developer on the location for the proposed lasting memorial. Initial discussions have since been held with the developer with a view to identifying a suitable location. Initial discussions have been held with the Council Street Naming Officer on the scope for naming a street within the development in commemoration of Nelson Mandela. These discussions will be progressed as detailed design proposals for any streets that may be suitable become available.

Measures of success

- 4.1 The pursuance of the CPO process and the continued negotiations will allow the progression of the regeneration of the St James Quarter and the wider City Centre retail area.
- 4.2 Success will be measured by the quality and sustainability of the new retail led mixed use development, job creation and the regeneration of the wider City Centre.
- 4.3 The improved performance of Edinburgh as a retail destination reinforcing its role as the regional centre for SE Scotland will be a key measure of success.
- 4.4 In addition to the above, success will be measured in terms of the provision of high quality public realm improvements to the Picardy Place area ensuring optimum connectivity from this site into the redeveloped St James Centre and beyond to St Andrew Square, Princes Street and Leith Walk in the east.

Financial impact

- 5.1 As was reported in the May 2014 Report, the making of the CPO in respect of the St James Quarter incurred costs to the Council. However, under the signed Minute of Agreement, SJEL fully indemnifies the Council for all costs and compensation claims in respect of the CPO and any subsequent transfer of those property interests to the Developer, and is considered to suitably protect the Council, as well as ensuring no cost to the Council. To date, all costs incurred by the Council have been reimbursed by the Developer.

Risk, policy, compliance and governance impact

- 6.1 The developer's adherence to the terms of the Minute of Agreement will continue to be monitored by the SRO, the Head of Finance, the Head of Planning and the Head of Corporate Property. Appropriate management systems and regularity of reporting, together with a governance structure, are in place, reflecting the obligations of the Minute of Agreement. The structure is being revised as stated in this report in order to recognise the project programme stage.
- 6.2 There is a risk of damage to the Council's reputation should, for whatever reason, the CPO confirmed by the Scottish Ministers but the redevelopment does not progress. To mitigate against this the Minute of Agreement obliges the developer to commence the redevelopment within 3 to 5 years of the CPO being confirmed and it is considered that given the other protections the Council has obtained this is suitable security for the Council, especially when the developer's investment to date is considered and the fact it would only have 5 years to implement its detailed planning permission.

Equalities impact

- 7.1 Property rights adversely affected by the CPO will be entitled to compensation under the Land Compensation (Scotland) Act 1963 and the Land Compensation (Scotland) Act 1973. Compensation will be payable in accordance with the Compulsory Purchase Code.
- 7.2 The redevelopment of centre should have a positive impact on the Council's equality duties through improved accessibility and design, the provision of a training academy to help those furthest from the job market into work and extensive public consultation.
- 7.3 An independent economic impact assessment of the Edinburgh St James development prepared by SQW in 2013 found that, over the 26 year period 2015 to 2040, the development as proposed was expected to result in a net (i.e. the overall increase once any losses are taken into consideration) additional 27,048 person years of employment across Edinburgh – equivalent to approximately 2,700 permanent new jobs. The Council's Employability and Skills team will work

to ensure jobseekers in Edinburgh – in particular those facing barriers to employment – are well-placed to capitalise on these opportunities.

- 7.4 A dedicated training academy will be created in the new complex within the management suite. The academy will provide an attractive and welcoming destination where people seeking employment and training opportunities can be inducted and given basic training. Indicative designs for the academy have been prepared on the basis of information provided by the Council's Employability and Skills team. The academy will include a reception area, meeting room, flexible training suite and computer suite. Initial discussions have taken place on how the academy will be staffed.
- 7.5 The Employability and Skills team has secured agreement in principle from the Department of Work and Pensions for the use of the Jobcentre Plus on South St Andrew Street as a hub for recruitment and training opportunities associated with the development while construction is underway.
- 7.6 In line with emerging activities relating to the City Region Deal, and in view of the relatively low levels of worklessness in Edinburgh at present, the Employability and Skills team is considering the potential for working with people not in employment, education or training in the surrounding local authorities of the city region to help them take advantages of the job opportunities within Edinburgh St James.
- 7.7 The Employability and Skills team has strategies for assisting any people made redundant as a result of businesses closures upon the closure of the existing St James shopping centre in spring 2016.
- 7.8 There are likely to be negative impacts throughout the construction stage on the accessibility of the area which can be addressed through the Planning, Building Control and Road Construction processes. To that end, the developer has and is committed within the GAM Agreement to participate in the traffic management protocol and to oversee contract traffic management works in conjunction with the Council's Roads department, public utility companies, emergency services, the St James contractor and other city centre projects.

Sustainability impact

- 8.1 The impact of this report in relation to the three elements of the Climate Change (Scotland) Act 2009 Public Bodies Duties have been considered, and the outcomes are summarised below.
- 8.2 The sustainability impacts of the redevelopment of the St James Centre have been assessed in the determination of the application for planning permission in principle. The proposals are considered to have no significant environmental impacts and comply with the requirements of the Planning Service. The principle considerations are detailed below.

- 8.3 The proposed redevelopment of the St James Centre has been assessed against the most relevant, up to date sustainability indicators available, as the design of the Scheme has progressed. As a result, the principles of sustainability have been incorporated within the design, wherever feasible, in order to ensure that the proposals are as sustainable as possible.
- 8.4 The Sustainability Appraisal comprised a desktop policy review and development of a sustainability framework, two sustainability workshops with the design team, ongoing scheme review and evaluation and finally, appraisal of the final proposals and production of the sustainability statement.
- 8.5 Any negative impacts would be offset by a much more energy efficient development than exists in the current aging buildings. A combined, heating, cooling and power centre is proposed as part of the development as is wider access and shop mobility. There will be electric car charging points, extensive facilities for cyclists, photovoltaic panels, solar tubes and a city car club.
- 8.6 The applications for approval of matters specified in condition will be required to contain updated sustainability appraisal information.

Consultation and engagement (Comms Protocol)

- 9.1 The City of Edinburgh Council is working closely with the developer and its agencies to ensure, per the GAM Agreement, that through comprehensive consultation and an engagement strategy, key audiences are kept informed of the project's progress.
- 9.2 There is agreement from all partners on communications that they will work together in an open, transparent and collaborative manner in order to deliver an effective communications programme.

Background reading/external references

Planning Application 08/03361/OUT - Report to Development Management Sub Committee of 25 February and 4 June 2009
Report to Planning Committee 6 August 2009 and 5 December 2013 – Compulsory Purchase Order St James
Edinburgh City Local Plan
St James Centre Development Brief
Proposed Local Development Plan
Picardy Place Development Principles 2009
Report to Full Council by Director of Economic Development on 1 May 2014
Report to Full Council by Acting Director of Services for Communities on 29 May 2014
Report to Full Council by Acting Director of Services for Communities on 25 September 2014
Report to Full Council by Deputy Chief Executive on 19 November 2015

Paul Lawrence

Executive Director of Place

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Coalition pledges	<p>P8 Make sure the City's people are well housed including encouraging developers to build residential communities, starting with brownfield sites</p> <p>P15 Work with public organisations, the private sector and social enterprise to promote Edinburgh to investors</p> <p>P17 Continue efforts to develop the City's gap sites and encourage regeneration</p>
Council outcomes	<p>CO7 Edinburgh draws in new investment in development and regeneration</p> <p>CO8 Edinburgh's economy creates and sustains job</p> <p>CO9 Edinburgh residents are able to access job opportunities</p> <p>CO19 Attractive Places and Well maintained – Edinburgh remains an attractive City through the development of high quality buildings and places and the delivery of high standards and maintenance of infrastructure and public realm.</p>
Single Outcome Agreement	<p>SO1 Edinburgh's economy delivers increased investment, jobs and opportunities for all.</p> <p>SO4 Edinburgh's communities are a safer and have improved physical and social fabric.</p>
Appendices	<p>Appendix A – Schedule of Council Land Parcels</p> <p>Appendix B – Process for GAM Works Approval</p> <p>Appendix C – Indicative Layout of St James Recruitment & Skills Centre</p> <p>Appendix D – Summary of GAM works (Public Realm detail)</p> <p>Appendix E - Picardy Junction Layout and Interface</p> <p>Appendix F - GAM works programme as at February 2016</p> <p>Appendix G - Provision for Dispute Escalation and Resolution</p> <p>Appendix H - Elected Members Quarterly Oversight Group Briefing</p>

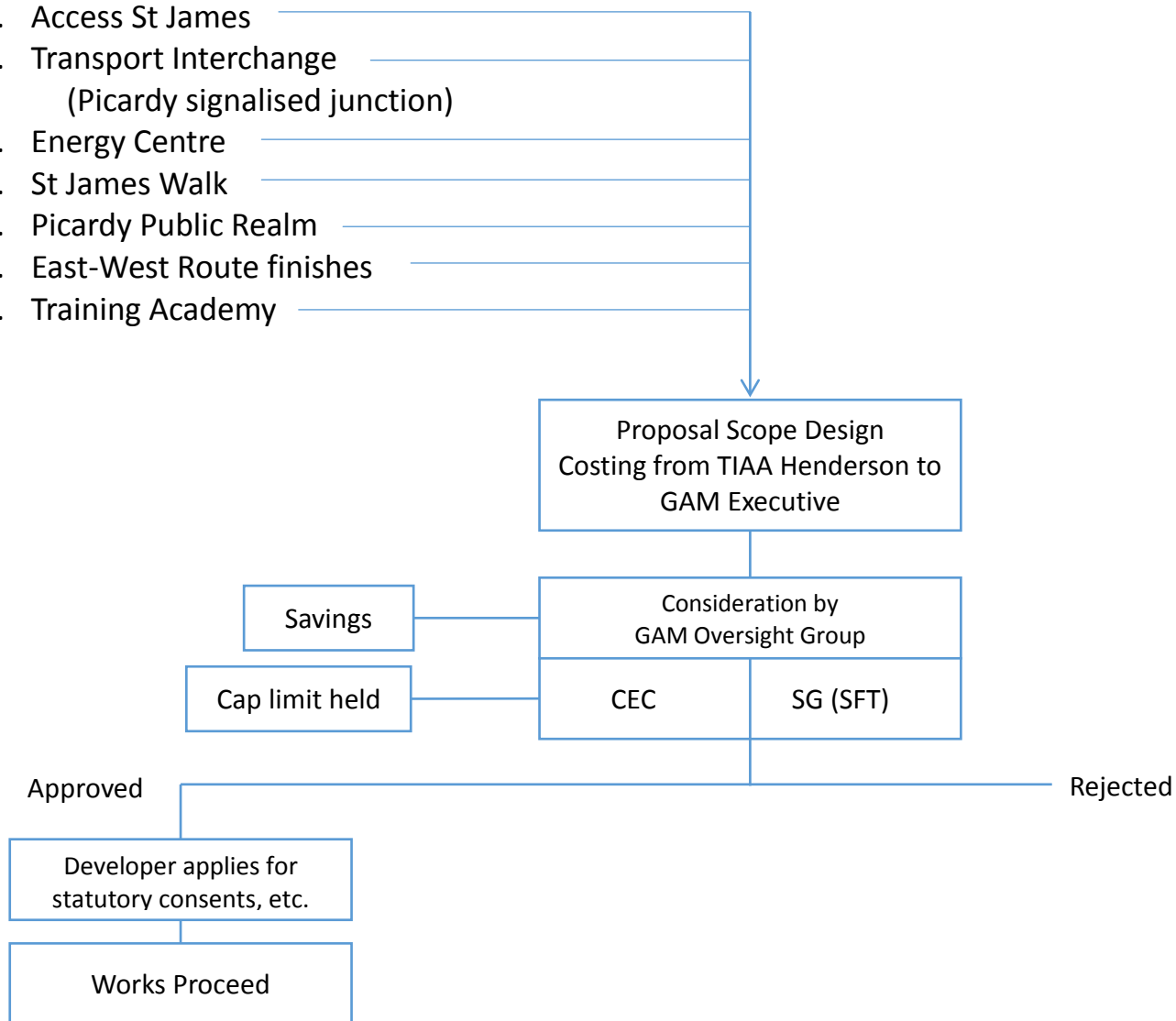
Appendix A - Schedule of Council Land Parcels

ST JAMES QUARTER LAND TRANSACTIONS		
Non Common Good Land to be sold to St James Quarter		
Plot No.	Address	Area
1	Non Common Good - Cathedral Lane less substation area leased to Scottish Power	192.63 sq.m.
2	Non Common Good - St James Place excluding area currently leased to St James	40.99 sq.m.
	St James Place area currently leased to St James	144.00 sq.m.
3	St James Place	253.34 sq.m.
5	St James Square	160.63 sq.m.
6	Leith Street	72.15 sq.m.
7	Leith Street	120.29 sq.m.
Common Good Land to be sold to St James Quarter		
A	Cathedral Lane Common Good Land	96.37 sq.m.
B	St James Place Common Good Land	37.49 sq.m.
Site to be sold to CEC		
8	Leith Street	220.00 sq.m.
9	Leith Street	140.00 sq.m.
10	James Craig Walk/Leith Street - long leased back to St James at peppercorn	1,944.00 sq.m.

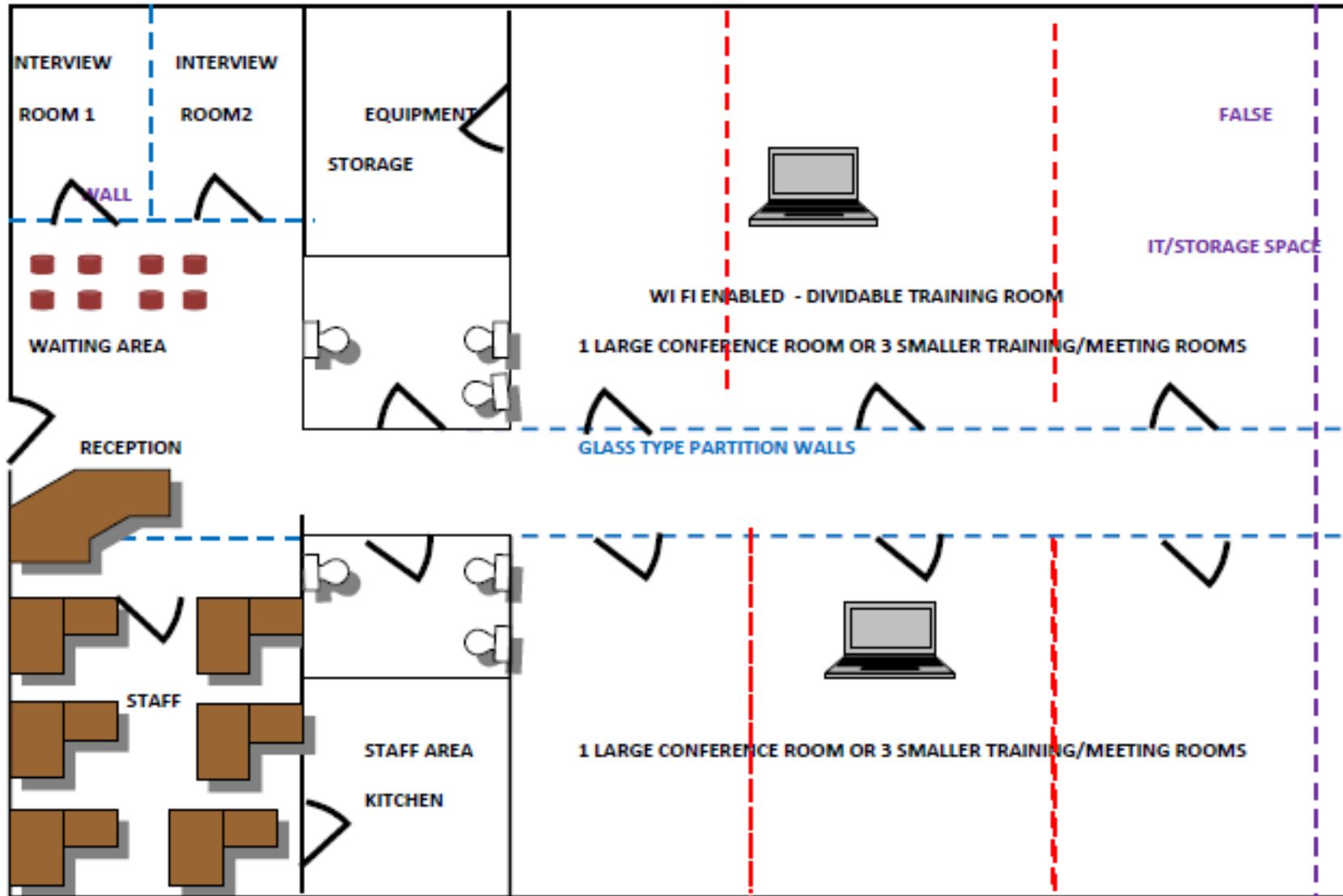
Appendix B – Process for GAM Works Approval

Works Package

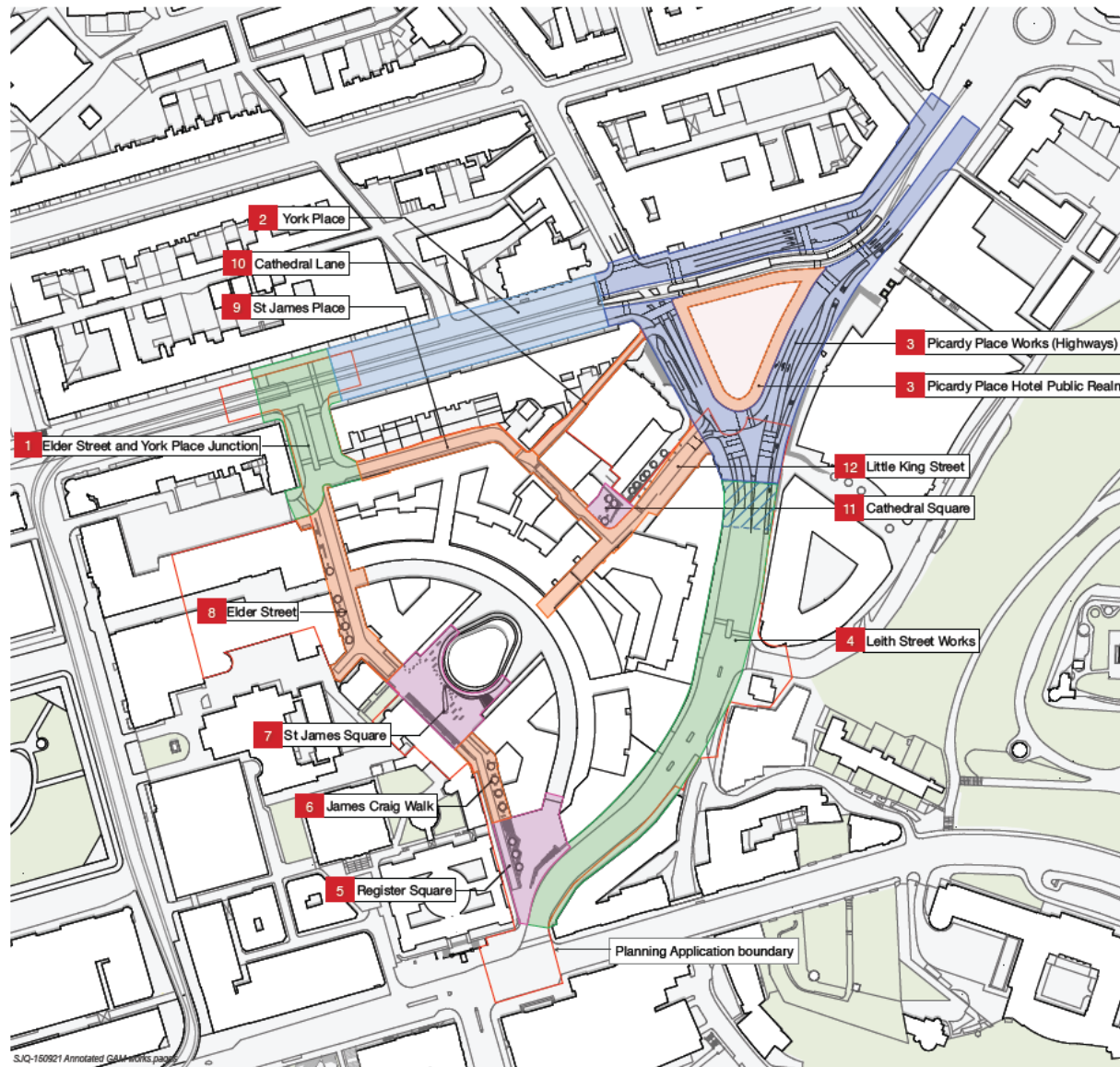
1. Access St James
2. Transport Interchange
(Picardy signalised junction)
3. Energy Centre
4. St James Walk
5. Picardy Public Realm
6. East-West Route finishes
7. Training Academy



Appendix C – Indicative Layout of St James Recruitment and Skills Centre



Appendix D – Summary of GAM Works (Public Realm Detail)



Summary of GAM works (taken from the current draft of the agreement)

- 1 Elder Street & York Place Junction**
Realignment of road junction and pavements.
Reconfiguration of road layout and signalled junctions to bus station, service access, St James Place and Elder Street.
Upgraded surfaces to pedestrian routes.
Reconfigured cycle route.
 - 2 York Place**
Realigned road and pavement to allow for tram alterations and provision of cycle route.
 - 3 Picardy Place Works (Highways)**
3 Picardy Place Hotel Public Realm
Construction of gyratory with extended and repaved footways.
Formation of new pavement to perimeter of central site.
Alter highway layout of Leith Street for connection to gyratory.
Temporary surfacing to area of future tram works.
Traffic management & protection.
 - 4 Leith Street Works**
Stone pavings to footpaths.
Removal of central island and re levelling carriageway to falls and new lighting.
Works to Waterloo Place and Princes St junction to accommodate new road layout.
 - 5 Register Square**
Paving and lighting.
Upgrading of access route to James Craig Walk to support emergency vehicle access.
 - 6 James Craig Walk**
Levels adjusted to accommodate raised St James Square.
Formation of a emergency access route with shared pedestrian surface.
Paving and lighting.
 - 7 St James Square**
Level raised to reflect historic relationship to existing buildings.
Paving and lighting.
 - 8 Elder Street**
Formation of a shared surface to improve public realm.
Paving and lighting.
 - 9 St James Place**
Realignment of carriageway and pavements.
Improved street lighting.
 - 10 Cathedral Lane**
Replacement of carriageway and footway.
Creation of a shared surface.
Existing kerb relaid.
 - 11 Cathedral Square**
Creation of new landscaped public square.
Lighting and seating.
 - 12 Little King Street**
Upgrading of surfaces and realignment of pavements.
Improved street lighting.
- Public Facilities within the Edinburgh St James**
Public toilets.
Shop mobility facilities.
Circulation route and services to East/West route.
- General External & Highways Works**
Street furniture, bollards, bus stops, balustrading, cycle stands etc.
Soft landscaping, retaining walls, services, feature lighting, CCTV etc.
- General diversions**
Scottish Water
BT Open Reach
Thrus / Vodafone
Existing HV and LV cables
Scotland Gas Networks

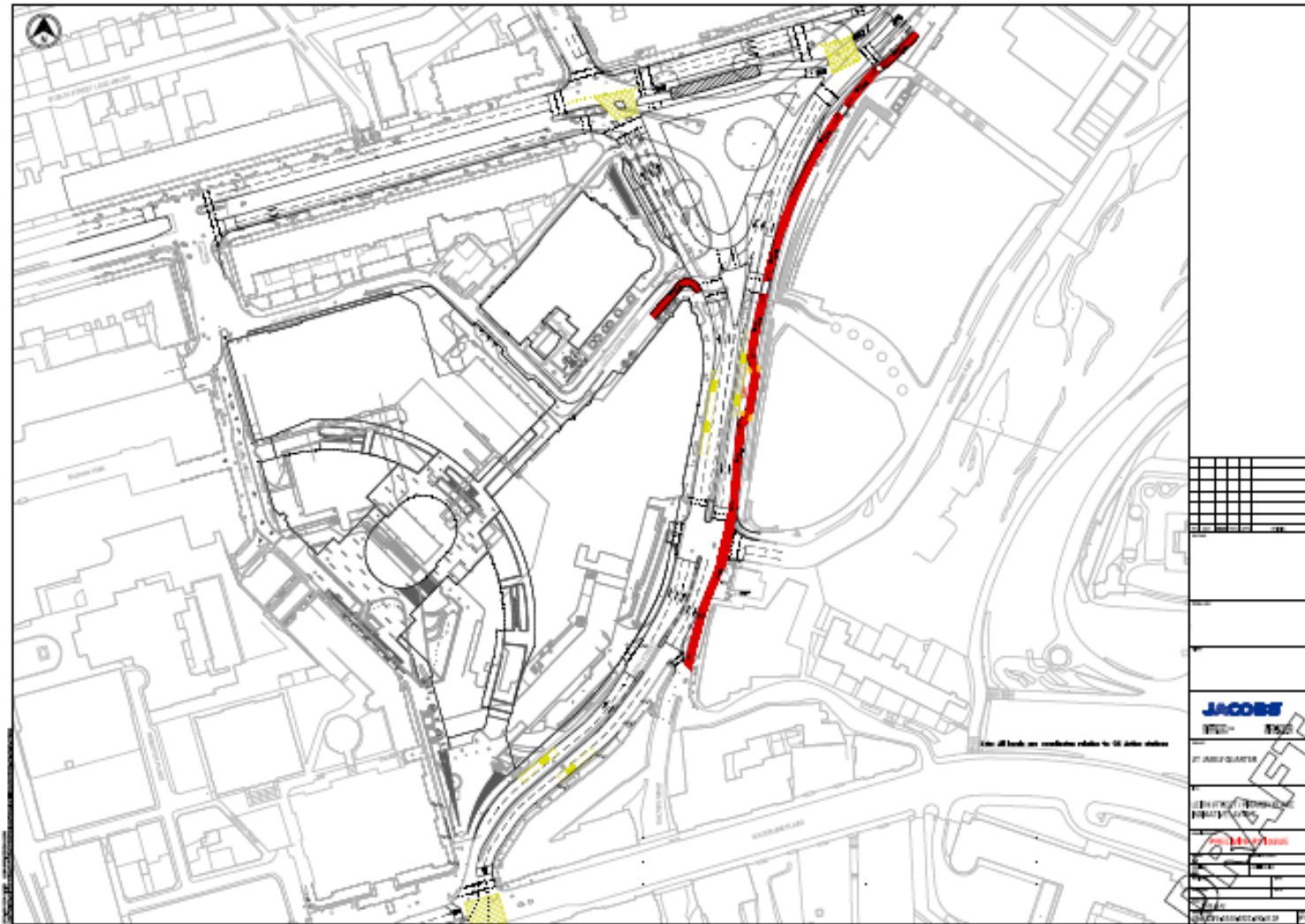
Edinburgh St James



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Proposed Public Realm Works including York Place
ESJ-AMA-00-ZZ-ORA-00-64 P03
Source drawing
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Appendix E – Picardy Junction Layout and Interface

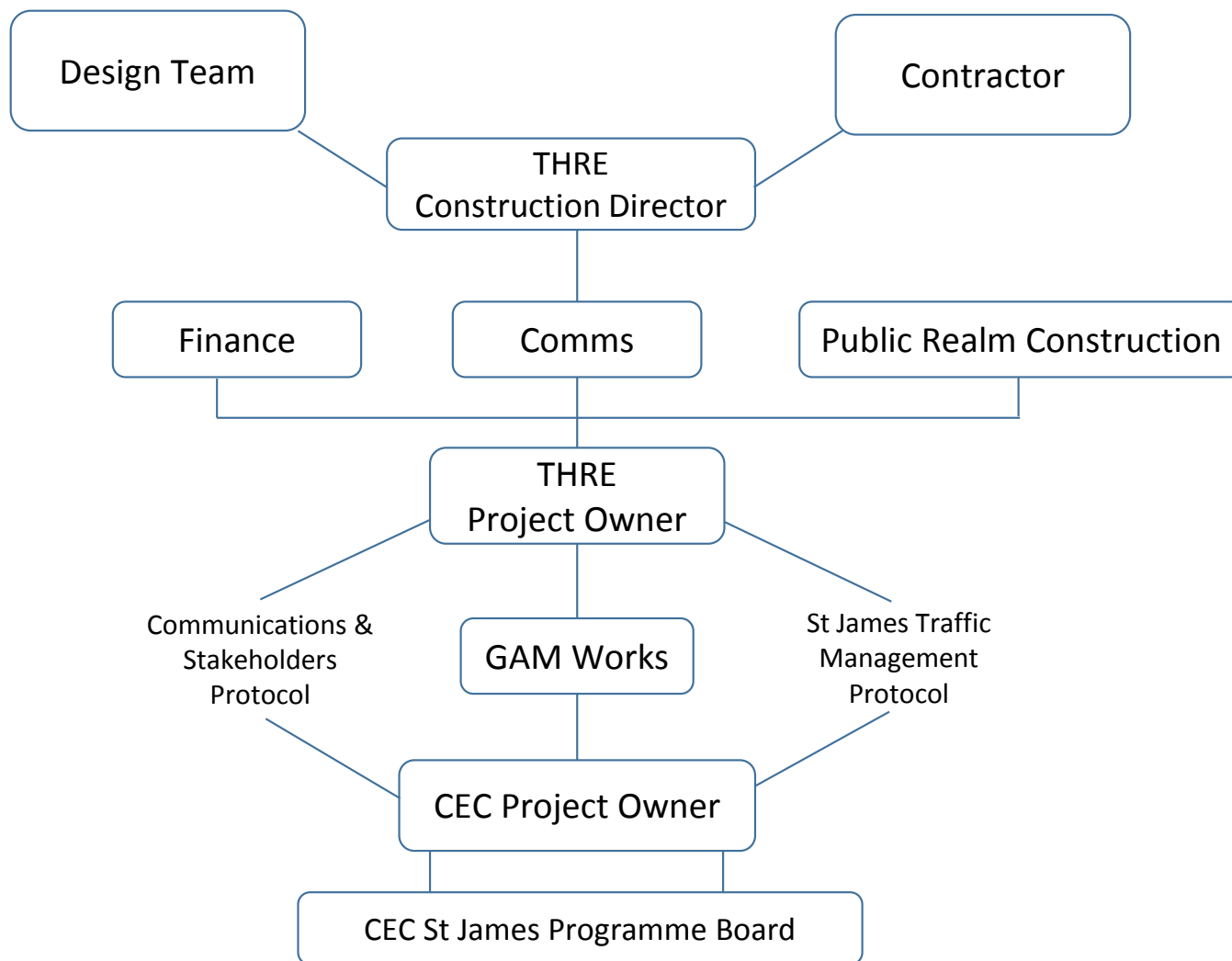


Appendix F – GAM Works Programme as at February 2016

Line	Name	Start	Finish	Duration	5	6	7	8	9	10	11						
					2015	2016	2017	2018	2019	2020	2021						
					A	O	D	F	A	J	A	O	D	F	A	J	
MAIN SCHEME SUMMARY BARS					3	4	1	2	3	4	1	2	3	4	1	2	3
13	GAM WORKS	01/06/2015	16/12/2019	230w													
14	JLP Phase 1A Utility Diversions & Package Plant Installations	Mon 01/06/15	Tue 10/05/16	46w													
15	New Primary Substation	Mon 01/06/15	Tue 10/05/16	46w													
16	HV/LV Diversions & Associated Works (In Relation to JLP Infill Zone) - PLOT 9	Tue 27/10/15	Tue 05/01/16	8w													
17	Communications Diversions & Associated Works (In Relation to JLP Infill Zone) - PLOT 9	Tue 27/10/15	Tue 05/01/16	8w													
18	Gas Diversions & Associated Works (In Relation to JLP Infill Zone) - PLOT 9	Fri 25/09/15	Tue 05/01/16	12w													
19	Water Diversions & Associated Works Within JLP Demise (In Relation to JLP Infill Zone) - PLOT 9	Wed 30/09/15	Tue 05/01/16	12w													
20	Energy Centre Level B1 to B3	01/05/2018	27/05/2019	56w													
21	Temporary weather protect energy centre roof	Tue 01/05/18	Mon 28/05/18	4w													
22	Access available to energy centre	Mon 28/05/18	Mon 28/05/18														
23	Form energy centre	Tue 29/05/18	Mon 08/08/18	10w													
24	Plant installations	Tue 07/08/18	Mon 08/04/19	35w													
25	M&E installations with energy centre	Tue 07/08/18	Mon 04/03/19	30w													
26	Energy centre commissioning	Tue 05/03/19	Mon 27/05/19	12w													
Project St. James Programme Client TIAA Henderson Real Estate					Dated Revision comment GAM Detail		Drawn by PH/JM Notes		Classification Restricted Programme No Opt11/001		Revision Q2 Revision Date 06/10/2015		Sheet 1 of 6				

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Appendix G - Provision for Dispute Escalation and Resolution



Appendix H - Elected Members Quarterly Oversight Group Briefing

