

WEST NORTHAMPTONSHIRE COUNCIL CABINET

14 June 2022

**CABINET MEMBER RESPONSIBLE FOR ECONOMIC DEVELOPMENT,
TOWN CENTRE REGENERATION AND GROWTH: COUNCILLOR DANIEL LISTER**

Report Title	Sponne Arcade Short Stay Car Park Redevelopment, Towcester.
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List of Appendices

Appendix A – Sponne Arcade Car Park Title Plan

Appendix B – Sponne Arcade Car Park General Arrangements

Appendix C – Confidential Financial Appendix (Not for publication under Paragraph 3, Part 1 of Schedule 12A of the Local Government Act 1972)

1. Purpose of Report

- 1.1. The purpose of this report is to obtain necessary consents to progress with the implementation of the Sponne Arcade car park redevelopment and improvements as defined in this report.
- 1.2. To provide an update on the progress and programme.

2. Executive Summary

- 2.1 This report provides an update on the Sponne Arcade Redevelopment Project. The site of the car park and retail premises was acquired in July 2020 by South Northamptonshire Council (SNC). The report covers the background to the project, decision-making that happened at SNC, and the current project status. The details and locations of the site are also included to provide further guidance on the scale and benefits of the project to the local community.
- 2.2 The initial intention for the site was to undertake a project to demolish the former Co-op retail premises in order to make way for an additional temporary car park area. It was later determined that this should be a permanent short stay car park to benefit the local community with increased permanent parking capacity. A planning application was granted on 4 November 2020 for the revised proposals.
- 2.3 The stages of the capital project to date are explained below, including the principal contractor's appointment for preconstruction works, updates on the detailed design process, and the planning requirements. The construction works are anticipated to take six months once the contract with the principal contractor is finalised.
- 2.4 The project now requires West Northamptonshire Council (WNC) Cabinet approval to allow the contractor to be appointed and the project to proceed.

3. Recommendations

- 3.1 Cabinet is asked to:
 - a) Note the work to date in securing the land, gaining necessary planning approval and bringing the project to the on-site delivery stage.
 - b) Authorise the appointment of Jeakins Weir Limited as principal contractor to undertake the construction works as defined by the construction information that has been developed by the Regeneration Team (a summary of the works is in this report). The contractor has already completed pre-construction services to the council including design, feasibility, and pricing to date, and are being procured through the Scape construction Framework.

- c) Note the saving to the revenue budget of approximately £29,500. This saving is made mainly due to the reduction in National Non-Domestic Rates (NNDR or known as 'business rates') that will be liable across the site with the demolition of the former Co-op unit.

4. Reason for Recommendations:

The recommendations establish financial and requisite authorities so that the Sponne Arcade short stay car park redevelopment can proceed.

5. Report Background

- 5.1 The site comprises a vacant store formerly occupied by Co-op and then Poundstretcher, together with about 70 associated car park spaces in the centre of Towcester, west of Watling Street and north of Richmond Road. Vehicle access to the site is available from Richmond Road and pedestrian access is gained via Sponne Arcade from Watling Street and from Richmond Road. Following the closure of Poundstretcher, the property has been vacant since March 2018.
- 5.2 A location plan is attached (appendix A) marking the extent of the site in red which measures 1.22 acres, with the site forming a flat area of a broadly rectangular shape.
- 5.3 The vacant premises comprise of a two-storey building of traditional cavity wall brick construction under a tiled pitched roof, constructed in the mid-1980s. According to the Valuation Office Agency website, the building has an estimated gross internal area of 15,352 square feet.
- 5.4 The car park is surfaced in a mix of tarmac finish and brick pavements with designated marked car parking spaces. The car park is served with timed evening floodlighting for user safety.
- 5.5 The former retail premises and car park was marketed for a long period by the private owners and in October 2019 SNC approved the acquisition of the site for £775,000 to enable the council to increase the vibrancy and accessibility of Towcester town centre. As indicated earlier in this report the purchase of the site by SNC was completed in July 2020.
- 5.6 The property is subject to a number of covenants and restrictions which provide limitations on its use and grant rights to third parties for parking and continued access. Notwithstanding the restrictions currently in place on the purchased land, owning it allows the council to have control of a town centre site that can be used to enhance car parking facilities in Towcester and provide a part of the town with necessary improvements.
- 5.7 Now vacant for several years the former Co-op retail has proved to be vulnerable, prone to break-ins, vandalism and other forms of anti-social behaviour, of which the police and community safety teams are aware.
- 5.8 Given the restrictions on the site the former SNC Project Board, which was overseeing this project at the time, decided that the car park should be made permanent rather than just a temporary facility to ensure that the needs of residents and visitors to the town continued to be adequately met.

- 5.9 A construction delivery partner was selected using the Scape Construction Framework and feasibility works contractor initially considered the delivery of a temporary car park, alongside demolishing the former Co-op building and the (at the time disused) public toilets.
- 5.10 After further consultation, SNC made a decision to submit a planning application for a permanent short stay car park, which changes the structural environment and operational requirements placed upon the given area and consequently, increased the associated costs.
- 5.11 A planning application established planning for a permanent car parking facility on the site was granted on 4 November 2020.
- 5.12 The deliverable outcomes of the project are:
- Increased number of available car parking bays from 70 to 150
 - Remodelling of existing car parking bays so they conform to current car parking standards
 - Improved lighting for additional safety
 - Safer pedestrian access and walkways
 - Increased allocation for disabled and family parking
 - Bicycle racks
 - Improved circulation routes around the car park
 - Improved visibility in the car park
 - Improved landscaping scheme
 - Seating areas
 - Improved CCTV coverage
 - Car charging points (installed 2021)
- 5.13 A series of smaller projects have already been undertaken to uplift the area. These small works included remedial landscaping, the refurbishment of the disused public toilet block to full working order, upgrading the current floodlighting for safety and installation of electric charging points for community use and improved electric car charging infrastructure within the town.
- 5.14 A pre-construction delivery agreement was then signed by SNC to further establish project costs, to progress with surveys and bring the contract to delivery stage. This included surveys, design development and costings.

Current Position

- 5.15 The council has worked with its contractor appointed to undertake the feasibility stage and is now ready to enter a construction contract for the works. The contract will be undertaken using a widely accept construction contract to manage the project (NEC4 short form of contract).
- 5.16 The project costs have now been crystallised for the works for the demolition and installation of a permanent car park in line with the approved planning permission. The council has employed a cost consultant to verify that the contractor's costs are correct and has established a suitable risk register and project contingency, and whilst the construction project costs have increased (due to scope changes, planning compliance and materials costs increases) they are considered to be value for money.

- 5.17 The council has employed a clerk of works to ensure standards are met through the delivery of the project.
- 5.18 Additional ground investigations have been undertaken with the inclusion of bore holes being drilled and samples of the grounds build up examined, from seven locations within the car park.
- 5.19 At the time of writing this report, the results of the ground investigations are yet to be received, however this will aid and support how the works are to be undertaken. This also provides a greater level of certainty as to the project costings and aids de-risking of the fiscal elements.
- 5.20 A communications plan has been developed in advance of the proposed works commencing and will be put into action after consent has been gained.
- 5.21 A project board has been established to provide project governance, meeting on a monthly basis.
- 5.22 The general arrangements for the permitted design of the short stay car park are shown in appendix B.
- 5.23 The public conveniences are now leased to Towcester Town Council which is responsible for their maintenance and operation. The public toilets were improved by way of separate funding and outside of the scope of this project.

Future operation

- 5.24 The management, maintenance and general operations are to be undertaken in the same manner as other car parks within the town, with responsibility of the asset resting within the Assets Team of WNC.

6. Issues and Choices

- 6.1 The options are set out below:
 - 6.1.0 To approve the decision of the sovereign council and allow for the construction of the short stay car park scheme as described in this report, and in line with the submitted planning consent.
 - 6.1.1 To leave the area as it currently stands, incur the annual charges and do nothing – this could have a reputational impact on the council through investing in the site and not delivering on its vision to improve the area as referred in the design and access statement of the approved planning application.

7. Implications (including financial implications)

7.1 Resources and Financial

7.1.1 As the building currently stands, there are annual costs associated with its ownership. These include:

- Ongoing business rates and maintenance costs payable for the former convenience store are currently £43,500 for 2022/23 and the council will remain liable for these until the building has been demolished (this does not include the car park as that is assessed separately)
- The council as owner of this site is also required to pay a service charge to Richmond Road (Towcester) Management Limited, the management company that looks after some common parts within the site, which equates to about £9,000 for the current financial year. This is an ongoing budget pressure and is reviewed annually in line with the Retail Price Index (RPI) and perceived maintenance costs.

7.1.2 Once the works are complete business rates for the new section of car park are forecast to be £4,000 and the maintenance costs for this new area being £10,000.

7.1.3 This will give the council an anticipated annual revenue saving of £29,500 PA.

7.1.4 Community Infrastructure Levy (CIL) is not applicable to the provision of a permanent car park.

7.1.5 Please see the commercially sensitive appendix C for further information on finances.

7.2 **Legal**

6.2.1 There are no legal implications directly arising from this report but if the route of the land coloured yellow on Appendix B will be varied as a result of the proposed project works new leases to the management company from the Council and the owners of the adjacent Sponne Shopping Centre may need to be agreed to accommodate this.

7.3 **Risk**

7.4 A brief summary of the risks is detailed below:

- Financial risks:
 - If the project is not delivered within agreed timelines specified under the planning application, the council risks incurring additional charges for an area that is run down, tired, and in need of investment due to the town centre location
 - Construction cost inflation is a risk to the project with construction inflation running at 30 per cent over the past two years, so the longer the delay on entering the contract the more risk there is
- Reputational risks: If the programme of works is not delivered in a timely way:
 - It weakens the council's position within the community as works to regenerate the area have been undertaken through smaller already completed projects.
 - There would also be a reputational loss with the public, as the scheme has already been heavily promoted.

- Co-operation and communication have also been gained from local retailers who are in much need of an economic boost. The Richmond Road (Towcester) Management Company is also fully supportive of the development.
- Political risks: As a new authority, the council is under increased scrutiny from Government and the public, and if the projects are not delivered efficiently or effectively then this can seriously harm the council's perception to these audiences.

7.5 A project board has been established with a wide range of representatives from the council for governance. A project specific risk register will be developed and regularly monitored by the project board in the lead up to and during construction.

7.6 Consultation

7.6.1 Ward members have been liaised with on project development and had the opportunity to meet on site to discuss the project first-hand with the council's project manager.

7.6.2 Regular contact has been made with Towcester Town Council to provide updates on the project in person and via email.

7.6.3 Regular communications have been had with the Sponne Arcade land agent who acts as the principal point of contact to communicate with the arcade shop tenants.

7.6.4 Consultation has taken place with a residential landowner regarding the works and who uses the service road as the main means of access to their property.

7.7 Consideration by Overview and Scrutiny

7.7.1 N/A

7.8 Climate Impact

7.8.1 Ecological assessments have already been conducted to ensure no protected species will be endangered (bats). Following a primary roost appraisal (PRA) was completed in October 2020 which gave rise to a full bats survey being undertaken over a period of six weeks. The survey concluded in June 2021, with no bats returning or emerging from a roost during the surveys.

7.8.2 As part of the regeneration scheme for Sponne Arcade car park, eight electric car charging points have been installed to increase the electric car charging infrastructure within the town. Further charging points could be installed if practical and the budget is sufficient. Furthermore, the scheme allows for up to ten bicycle parking spaces within the scheme.

7.9 Community Impact

7.9.1 The short-stay car park will provide a welcome facility to support the regeneration of the town centre.

- 7.9.2 The short-stay car park will provide an asset that supports economic sustainability of traders in the town.
- 7.9.3 The short-stay car park has also been identified as a suitable replacement location for the expanding farmers market which currently has the use of the council's neighbouring car park, Richmond Road, but that site is not fit for purpose due to the provision of recently installed electric charging points.
- 7.9.4 Antisocial behaviour should improve given the former convenience store will no longer be able to harbour unwanted behaviour, and the design of the car park will reduce accessible places to undertake such activity through the provision of newly installed CCTV cameras.
- 7.9.5 The Communications Team has been engaged to ensure appropriate engagement activity throughout the project with a range of stakeholders.
- 7.9.6 This document has been checked for accessibility.

8. Background Papers

- 7.1 Hyperlink to Planning Application as referenced above
<https://snc.planning-register.co.uk/plandisp.aspx?recno=107724>