

Report Title:	Broadway Car Park
Contains Confidential or Exempt Information?	No
Member reporting:	Councillor David Evans Cabinet Member for Maidenhead Regeneration and Maidenhead
Meeting and Date:	Cabinet Regeneration Sub-committee – 25 January 2018
Responsible Officer(s):	Russell O’Keefe – Executive Director and Barbara Richardson Managing Director RBWM Prop Co.
Wards affected:	All

REPORT SUMMARY

1. Broadway Car Park (often referred to as Nicholson’s Car Park) is the key town centre car park.
2. The car park is reaching the end of its lifespan and is in need of significant repair and refurbishment. A replacement car park is essential to meet parking demand and the expected growth and regeneration of the town centre.
3. This report summarises the next steps and along with a more detailed Part 2 Report sets out the different investment case options so that a decision can be made to move forward.

1. **RECOMMENDATION: That Cabinet Regeneration Sub-committee notes the report and:**

- a. Approves Option 3 set out in the Part 2 Report.
- b. Delegate authority to the Executive Director in liaison with the Cabinet Member for Maidenhead Regeneration and Maidenhead to negotiate and implement an agreement for Option 3.
- c. If Option 3 proves through negotiation to not be deliverable to progress Option 2 through a design and build contract.
- d. To recommend to Council an overall capital budget of up to £22,850,000 to deliver the project.

2. **BACKGROUND INFORMATION, REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED**

Background

- 2.1 Broadway Car Park (often referred to as Nicholson’s Car Park) forms part of the Broadway Opportunity Area detailed in the adopted Maidenhead Town Centre Area Action Plan (AAP). The car park is linked to the Nicholson’s shopping centre and is the key town centre car park.

- 2.2 The car park is reaching the end of its lifespan and is in need of significant repair and refurbishment. A replacement car park is essential to meet parking demand and the expected growth and regeneration of the town centre.
- 2.3 Various options have been considered for the car park including selling to (or partnering with) a private sector developer. In October 2016 Cabinet Regeneration Sub-Committee agreed the principle that the Council progresses the option of developing the car park itself, as owner using its own funds potentially with another investor e.g. the Berkshire Pension Fund subject to approval of an investment case by Full Council.
- 2.4 It was also determined previously by the Council that due to the links to the neighbouring site, The Landings, it was fundamental to the regeneration and redevelopment for the town, and that collaboration should be formed in order to accommodate, and deliver a joined up approach to redevelopment of both sites. At that time it was agreed that the Council would sell 225 parking spaces in the new facility to The Landing project. This arrangement has been in place since March 2015 and is still a key consideration to the redevelopment of the new Broadway Car Park.
- 2.5 The car park is currently unsightly and obstructs the High Street and shopping centre from the Station and The Landing. However, due to its central location it has an important role to play as a focal point and facility for the town centre and helping in the future of the Nicholson shopping centre and also to complement and encourage the delivery of the Landing as part of the larger town centre strategy.
- 2.6 Due to this connection and special relationship with The Landings, it was agreed by Cabinet Regeneration Sub-committee in October 2016 that the Council would appoint London & Aberdeen (L&A) a firm of development managers, who had also been engaged by The Landings, to bring forward the options for the new Broadway Car Park, and present an investment case that would enable the Council to commit funds to this capital project.
- 2.7 In July 2017 Cabinet Regeneration Sub-committee agreed a development brief for the project. This is included at appendix A.
- 2.8 In September 2017, Council agreed a capital budget of up to £12,334,600 for the construction of new temporary and permanent parking provision across the Borough. This included budget provision and plans for temporary parking provision for whilst the Broadway Car park is being redeveloped. The demolition of the existing Broadway Car Park will not commence until the temporary parking to support it is in place.
- 2.9 In November 2017 L&A presented a draft investment case to the Council. A full review of this has been carried out to make sure that the Council is getting a project that is financially viable, and can be delivered within budget, to a good quality standard. The review and subsequent discussions over the past 2 months has led to some alternative options to be considered for Broadway Car Park. They are set out in detail in the Part 2 report.

Existing and New Capacity

- 2.10 Broadway Car Park, currently provides 743 spaces, including 100 spaces as part of the adjoining building.
- 2.11 With the growing regeneration and redevelopment of Maidenhead Town Centre, and the forthcoming Crossrail – Elizabeth Line in late 2019 it is envisaged that demand for town centre parking will increase.
- 2.12 The Council also has a growing demand and current waiting list for car parking spaces in the town centre from local businesses, who have expressed a desire to rent spaces for their staff.
- 2.13 The recommended Broadway Car Park option would achieve 1,450 spaces for the town.
- 2.14 The proposed new provision would therefore be able to accommodate some of this business demand, along with increased supply for shoppers and residents use.

Price Benchmarking

- 2.15 L&A have undertaken price benchmarking which can be found in Appendix B. Comparisons have been made with Princes Square, Bracknell, High Street, Bracknell, The Avenue, Bracknell, Holy Brook, Oracle, Reading, The Riverside, Oracle, Reading, Eden Shopping Centre, Wycombe and King Edward Court, Windsor. It should be noted that these do not reflect the current retail offer for shoppers in Maidenhead.
- 2.16 All of these car parks with the exception of Princes Square, Bracknell currently have higher parking charges than Broadway. These range from 15% (High Street, Bracknell) at the lowest end of the scale to 166% higher (Holy Brook, Oracle, Reading) at the top end of the scale.
- 2.17 It would therefore suggest that an increase in parking charges for a new car park with modern facilities would not be unreasonable at 30%, to current day charges. This could be reviewed in light of any increase in retail destination and commuter demand in the future.

Options

- 2.18 The Part 2 Report sets out the following three main options in detail:
- Option1: L&A proposed scheme. This would result in the building of a 1533 space, 10 storey car park with 15,200 square foot of office accommodation on the ground floor.
 - Option 2: Design and build scheme. This would result in the building of a 1650 space, 9 storey car park.
 - Option 3: Set out in the Part 2 report.
- 2.19 The investment case for the three options is set out in Appendix F in the Part 2 report. The three options would all provide key requirements relating to design, access, bay sizes, electric charging and disability and mobility parking. They all meet the development brief agreed by Cabinet Regeneration Sub-committee with one exception, this relates to the provision of new retail space.

2.20 As part of reviewing the options the Council commissioned specialist retail advice from GL Hearn. This can be found at Appendix G in the Part 2 report and has shown that the provision of retail space as part of the proposed scheme would not be commercially viable as it is likely to be very difficult to let. This has therefore been removed.

Assumptions

2.21 To ensure the options can be compared the following assumptions have been applied to both options:

- **Inflation** – 2% per annum, over a 30 year period.
- **NPV Discount Rate** – 6% applied on all options
- **Car Parking Charges** – a 30% increase on today's current charges has been assumed on all three options (please note if the changes proposed in the draft budget 2018/19 are approved this would be a circa 4% increase).

Conclusion

2.22 This is set out in the Part 2 report.

Option	Comments
1. To agree option 3 so that an agreement can be put in place with option 2 as the fall back option. Recommended	This will allow the work to progress on the option that provides the best value for money.
2. To agree another option. Not recommended	This would not provide the best value for money for the Council.

3. KEY IMPLICATIONS

Outcome	Unmet	Met	Exceeded	Significantly Exceeded	Date of delivery
Project completed	Not completed	December 2020	November 2020	October 2020	December 2020

4. FINANCIAL DETAILS / VALUE FOR MONEY

4.1 A capital budget of £22,850,000 is requested taking into account capital already in the capital programme for the project. The investment case is provided at Appendix F in the Part 2 report.

CAPITAL	2018/19	2019/20	2020/21
Addition	£2,000,000	£12,510,00	£8,340,000
Reduction	£0	£0	£0
Net impact	£0	£0	£0

5. LEGAL IMPLICATIONS

- 5.1 The Council has a duty to efficiently manage its assets and has legal powers to hold and dispose of land under both sections 120 and 123 of the Local Government Act 1972.

6. RISK MANAGEMENT

Risks	Uncontrolled Risk	Controls	Controlled Risk
The project exceeds the cost envelope or planned timescales	High	Effective development management processes	Low

7. POTENTIAL IMPACTS

- 7.1 The recommended option will deliver significant parking for the town centre in addition to other benefits for the town set out in the Part 2 report.

8. CONSULTATION

- 8.1 Consultation has been carried out previously on the Council's parking plans. Further consultation will be carried out on the detailed proposed scheme as part of the planning process.

9. TIMETABLE FOR IMPLEMENTATION

Date	Details
February 2018	Agree contractual arrangements. Appointment of contractors Appointment of professional team
April 2018	Submit planning application
August 2018	Obtain planning
January 2019	Start demolition of existing structure
June 2019	Start of construction – car Park
December 2020	Practical completion of car Park
January 2021	Start construction of other elements
December 2022	Practical completion of other elements

10. APPENDICES

- 10.1 This Part 1 report has two supporting appendices:
- Appendix A – Development brief
 - Appendix B – Price benchmarking

11. BACKGROUND DOCUMENTS

11.1 N/A

12. **CONSULTATION (MANDATORY)**

Name of consultee	Post held	Date sent	Commented & returned
Cllr David Evans	Cabinet Member Maidenhead Regeneration and Maidenhead	12.1.18	12.1.18
Alison Alexander	Managing Director	12.1.18	12.1.18
Andy Jeffs	Executive Director	12.1.18	
Rob Stubbs	Section 151 Officer	12.1.18	
Terry Baldwin	Head of HR	12.1.18	12.1.18
Mary Kilner	Head of Law and Governance	12.1.18	
Louisa Dean	Communications and Marketing Manager	12.1.18	



APPENDIX A - DEVELOPMENT BRIEF

OBJECTIVES

- To secure a minimum of 900 new spaces (but ideally considerably more e.g. 1,300) for shoppers in addition to the 225 spaces that need to be delivered for The Landing on as much of the Site as can be brought into this Project.
- To deliver on its obligation to Ryger under the Conditional Sale Agreement for car parking spaces, and minimise or negate any risk of breach.
- To work with Ryger to continue to encourage the early delivery of The Landing.
- To work constructively with Ellandi LLP/Vixcroft Maidenhead Ltd or any successor to facilitate the Development.
- On the assumption that the Development Manager procures an improved Planning Permission for a larger and improved car park, and subject to formal approvals by the Council, to consider selling further car park spaces to Ryger for The Landing project, dependent on the needs of the Council being met and the viability of Nicholson's Car Park which will have to be assessed as part of the development appraisal process, and ensuring that the Council achieves best value.
- To provide high quality retail units on the ground floor of the present car park, creating a retail frontage to Broadway and integrating this with a new entrance through to the Nicholsons Shopping Centre, creating a high quality pedestrian flow from the Railway Station through The Landing to the car park, Nicholson's Shopping Centre and High Street.
- To make an investment, subject to further formal Council approval as required, to secure any necessary land acquisitions, vacant possession of the Site and planning permission.
- Upon securing planning permission and vacant possession of the Site, subject to further formal Council approval, to make a further investment during 2017, (but with the sum to be invested assessed more accurately in the light of information obtained at the time), estimated currently to be in the region of a further £30m to £38m, which delivers a net return on this investment of at least 4% per annum to the Council.
- To minimise or offset the short and medium term impact on Council revenue caused by demolition and redevelopment of the Nicholson's car park.
- For the Project to be as deliverable and as low risk as is reasonably



possible. Over-complicated use mixes, difficult construction solutions and funding solutions should be avoided if possible. Ideally a scheme should be devised which is not dependent on compulsory purchase, on difficult land assembly negotiations or on obtaining the agreement of third parties to (for example) infringement of rights of light, rights of way etc.

OUTCOMES

- Collaboration agreement with Ellandi LLP/Vixcroft Maidenhead Ltd or any successors to the agreement of the Council
- Feasibility Study and Options Report
- Development Brief, including Investment Case (each to be agreed by the Council)
- Site assembly, to include any land or title acquisitions
- Progress to obtain vacant possession of the Site
- Pre-application discussions with the Council's planning department
- Strategic Programme
- Planning application submissions and related documents, leading to a grant of detailed planning permission
- Outline brief to progress the tenders for Consultants' services
- Detailed design and specification documents to progress the tender for construction work
- Main construction contract
- Temporary parking solution for not less than 500 car spaces during construction
- Practical Completion of the car park
- Project budget and financial model
- Methodology Statement

Benchmark Comparison of Car Park Pricing relative to the current Nicholsons Multi-Storey Car Park, Maidenhead

Parking Duration	Nicholsons, Maidenhead	Princes Square, Bracknell	High Street, Bracknell	The Avenue, Bracknell	Holy Brook, Oracle, Reading	The Riverside, Oracle, Reading	Eden Shopping Centre, Wycombe	King Edward Court, Windsor	Average % Relative to Nicholsons
< 30 mins	£ 0.50	£ 1.00 100%	£ 1.40 180%	£ 1.40 180%	£ 4.00 700%	£ 1.70 240%	£ 1.00 100%	£ 2.70 440%	277%
< 1 hour	£ 1.00	£ 1.00 0%	£ 1.40 40%	£ 1.40 40%	£ 4.00 300%	£ 1.70 70%	£ 1.00 0%	£ 2.70 170%	89%
< 2 hours	£ 2.00	£ 2.00 0%	£ 2.50 25%	£ 2.50 25%	£ 4.00 100%	£ 4.00 100%	£ 1.90 -5%	£ 3.70 85%	47%
< 3 hours	£ 3.00	£ 3.00 0%	£ 3.20 7%	£ 3.20 7%	£ 6.00 100%	£ 6.00 100%	£ 2.50 -17%	£ 4.20 40%	34%
< 4 hours	£ 3.00	£ 3.50 17%	£ 3.80 27%	£ 3.80 27%	£ 8.00 167%	£ 8.00 167%	£ 3.00 0%	£ 5.80 93%	71%
< 5 hours	£ 6.00	£ 4.00 -33%	£ 5.00 -17%	£ 5.00 -17%	£ 10.00 67%	£ 10.00 67%	£ 5.00 -17%	£ 8.40 40%	13%
< 6 hours	£ 9.50	£ 4.50 -53%	£ 5.70 -40%	£ 5.70 -40%	£ 12.00 26%	£ 12.00 26%	£ 8.00 -16%	£ 8.40 -12%	-15%
< 7 hours	£ 9.50	£ 5.00 -47%	£ 6.30 -34%	£ 6.30 -34%	£ 13.00 37%	£ 13.00 37%	£ 10.00 5%	£ 20.00 111%	11%
< 8 hours	£ 9.50	£ 6.00 -37%	£ 7.10 -25%	£ 7.10 -25%	£ 15.00 58%	£ 15.00 58%	£ 10.00 5%	£ 20.00 111%	21%
> 8 hours	£ 9.50	£ 7.00 -26%	£ 8.30 -13%	£ 8.30 -13%	£ 20.00 111%	£ 20.00 111%	£ 20.00 111%	£ 20.00 111%	56%
Average % pricing relative to Nicholsons		-8%	15%	15%	166%	97%	17%	119%	60%

Comparison of Parking Provisions Relative to estimates for the Future Broadway car park scheme, Maidenhead

Parking Provisions	Future Broadway car park scheme	Princes Square, Bracknell	High Street, Bracknell	The Avenue, Bracknell	Holy Brook, Oracle, Reading	The Riverside, Oracle, Reading	Eden Shopping Centre, Wycombe	King Edward Court, Windsor
Total Spaces	1500	534 -64%	970 -35%	1254 -16%	623 -58%	1679 12%	1600 7%	744 -50%
EV charging bays	300	0 -100%	2 -99%	4 -99%	1 -100%	0 -100%		0 -100%
Parent & Child bays	32	0 -100%	12 -63%	0 -100%	25 -22%	0 -100%		
Disabled bays	88	26 -70%	22 -75%	69 -22%	30 -66%	76 -14%		