

Report Title:	<b>Vicus Way Car Park, Maidenhead</b>
Contains Confidential or Exempt Information?	<b>YES – All appendices are Part II Not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.</b>
Lead Member:	Councillor Johnson, Lead Member for Business, Economic Development & Property.
Meeting and Date:	Cabinet – 28 <sup>th</sup> January 2021
Responsible Officer(s):	Duncan Sharkey – Managing Director
Wards affected:	Oldfield

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## REPORT SUMMARY

1. Cabinet Approval for the development of a new Multi-Storey Car Park at Vicus Way was given on 28<sup>th</sup> June 2018, and Full Council Approval for the capital budget was given on 19<sup>th</sup> July 2018.
2. The initial budget of £13,207,249 was approved from which £350,000 was vired to fund additional car parking provision at Braywick Park in June 2020.
3. Local enterprise funding identified and approved in the Cabinet report above will be moved from the combined Maidenhead Station Interchange and Car Park budget to the Vicus Way Car Park Budget to fund the replacement parking lost as part of the forecourt development works.
4. The construction of the new car park was formally tendered via the OJEU procurement process and Buckingham Group were selected as the main contractor and the contract was due to be entered into March 2020.
5. As a result of Covid19 lockdown it was necessary to postpone entering into the contract whilst the impact of Covid19 was assessed and better understood both in terms of site management and delivery, the potential impact on demand for spaces and the Council's review of its car parking strategy.
6. Following a full review the Council will enter into the construction contract in February 2021 to deliver the new car park.

## 1. DETAILS OF RECOMMENDATION(S)

**RECOMMENDATION:** That Cabinet notes the report and:

- i) Approves the entering into a construction contract with the selected main contractor to build the new car park.
- ii) Approve the leasing of the car parking spaces to long term users of the car park on commercial terms.
- iii) Delegates authority to the Managing Director, in consultation with the Lead Member for Business, Economic Development & Property to conclude the appropriate construction and leasing contracts.

## 2. REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

### Options

**Table 1: Options arising from this report**

Option	Comments
Enter into a construction contract with Buckingham Group to build the new car park <b>This is the recommended option</b>	<ul style="list-style-type: none"> <li>▪ Further delays will expose the Council to further cost inflation</li> <li>▪ Significant delays could require renegotiation with adjoining landowners.</li> <li>▪ The Vicus Way Car Park is a key component in the Council's parking strategy to maintain car parking capacity during and following the regeneration of central Maidenhead and to reduce long term, business and commuter parking in the town centre.</li> </ul>
Do not enter into a construction contract with Buckingham Group <b>This is NOT the recommended option</b>	<ul style="list-style-type: none"> <li>• Cancellation of the project will result in the Capital investment spent to date on the project be transferred to Revenue spending, currently £2.2m.</li> <li>• LEP funding of £1.52m would be at risk, if another project could not be found to draw down grant by March 2021.</li> </ul>

- 2.1 Maidenhead is undergoing significant regeneration and growth via large scale projects such as The Landings, The Nicholson's Quarter and the Council's JV with Countryside Properties plc that will see a significant loss of car parking from council owned land and the relocation of existing car parks.

The completion of the Elizabeth Line and the increased capacity of the M4 will also increase Maidenhead's connectivity and attraction to business occupiers which will contribute to economic growth.

- 2.2 Cabinet Approval for the development of a new Multi-Storey Car Park (MSCP) at Vicus Way was given on 28<sup>th</sup> June 2018 as part of a commitment and

strategy to maintain the number of car parking spaces as a result of the regeneration of Maidenhead. The new MSCP has the capacity for 503 car parking spaces with provision for 10% of spaces to have EV charging points and containment installed for a further 10% to have charging points installed subject to substation and grid capacity.

The initial Budget of £13,207,249 was approved from which £350,000 was vired to fund additional car parking at Braywick Park in June 2020.

The LEP is to provide funding of £1,520,000 to compensate the Council for providing 88 car parking spaces to Network Rail at nil cost to replace the loss of parking spaces from the Maidenhead Station forecourt as part of the redevelopment of the station and regeneration of the area.

- 2.3 Planning permission for the new MSCP was granted on 8<sup>th</sup> March 2019.
- 2.4 A full OJEU compliant tender process was undertaken during 2019 with final tenders submitted by five contractors in November 2019. Buckingham Group were selected as the successful contractor on January 2020.
- 2.5 The construction contract was due to be entered into during March 2020 however this was postponed as the UK entered lockdown as the uncertainties introduced by COVID19 relating to site management, staff welfare, working practices, timescale and costs were considered.
- 2.6 The Council commenced the production of an updated Parking Strategy in May 2020 which has been prepared by Stantec and Project Centre and was approved by Cabinet on 26<sup>th</sup> November 2020. Part of the strategy recommended the re-location of long-term business or commuter parking from the Town Centre. This is also reflected in the emerging Borough Local Plan (BLP). Vicus Way provides this option for long term business parking outside the town centre, freeing up capacity for retail use in the town centre, to promote economic growth for the town.
- 2.7 The revised planning submission for the Nicholson's Quarter Regeneration project masterplan includes a smaller new Broadway Car Park with capacity reduced from 1,280 car parking spaces to 888 reflecting the Local Planning Authority (LPA) strategy to reduce business parking in the Town Centre. This new facility therefore improves the level of short stay parking that will be required for the new town centre when completed.
- 2.8 The existing Broadway Car Park has capacity for 734 parking spaces in total of which over 200 are long term business occupiers who will need to be relocated on a permanent basis, in order to reduce traffic movements in the town centre, and address the newly adopted parking strategy for long stay parking. These will be relocated to Vicus Way, MSCP.

### **3. KEY IMPLICATIONS**

- 3.1 The delays in agreeing the new contract have seen costs increase as a result of

- The tenders submitted in November 2019 have expired and the contractor has had to revisit their supply chain to reconfirm pricing and there has been significant cost pressure.
- Increased on site staff welfare facilities to minimise the risk of Covid 19 and to allow additional time to complete the project
- To accommodate the changes in the cladding system and its design costs.

However, the project team and the contractor have continued to undertake pre-start design and due diligence work and undertake pre-construction enabling works that have reduced construction cost risk and meet planning conditions.

The project remains within the approved budget.

- 3.2 The adjoining landowner enjoys a right of way over part of the Vicus Way site. RBWM has agreed a temporary suspension of this right of way to enable the construction of the car park. This agreement expires in December 2022. Significant further delay will require renegotiation of this agreement which may incur an additional fee to do so.
- 3.3 Further delays will increase costs as result of
- Continued build cost inflation
  - The potential requirement to renegotiate the agreement with the adjoining landowner
  - The loss of the £1,520,000 capital funding from the LEP for the loss of spaces already provided by RBWM to Network Rail in the Stafferton Way Car Park.
- 3.4 The new Vicus Way Car Park is a key component of the Council's parking and planning strategy to reduce the amount of long stay commuter parking and therefore car journeys into central Maidenhead and to reduce the size of the proposed Broadway Car Park. The current forecast plan for parking capacity for the regeneration programme is attached to this report at appendix B. A substantial amount of the new parking provision is peripheral to the town centre at Braywick Park.

Maidenhead would see a significant reduction in car parking capacity whilst the Borough Local Plan seeks to deliver large scale growth in commercial and residential development to meet increased population growth and economic growth.

- 3.5 Demand for long term car parking is currently subdued as a result of Covid19 however there is strong interest from Royal London Asset Management for a long lease to provide parking for up to 200 spaces for their proposed office development at Braywick Gate /Statesman House. The planning application has been made and is being considered by the LPA. Similarly there are currently c 200 spaces within the existing Nicholson's car park that will need to be relocated prior to its demolition and whilst this can be re-provided at Hines Meadow in the short term these would be relocated to Vicus Way on a permanent basis as many of the users are based south of the Broadway.

Therefore, we can already evidence demand for over 400 of the 503 spaces, with an additional waiting list from businesses in the town.

- 3.6 Stafferton Way MSCP - Some work has already been carried out to ascertain the possibility of extending this car park to accommodate for additional business or commuter use, however, the structural fabric of the car park is not sufficient for additional decks to be added. This coupled with the ongoing maintenance requirements and age of the property, could see Stafferton Way MSCP redeveloped, should demand for car parking remain subdued in the future.
- 3.7 The Council could consider closing the nearby Stafferton Way MSCP which will require significant ongoing expenditure and suffers from anti-social behaviour. This would free up a valuable site which could be sold for residential led mixed-use development given its location between the Royal London Braywick Gate development and the Maidenhead Retail Park that has been included in the BLP for major residential led redevelopment.
- 3.8 The capital cost incurred to date of £2,200,000 in design, project management, tender and planning fees will have to be written off and be met by the Council's revenue budget, **if the scheme does not proceed.**

**Table 2: Key Implications**

<b>Outcome</b>	<b>Unmet</b>	<b>Met</b>	<b>Exceeded</b>	<b>Significantly Exceeded</b>	<b>Date of delivery</b>
Approval received to enter into the construction contract with Buckingham Group	The project is put on hold with the risk of additional build cost inflation making the scheme financially unviable or permanently cancelled	Approval will enable the Council to enter a construction contract and deliver the new car park which will generate significant income to the Council and meet its strategy to reduce the number of car journeys into Maidenhead town centre			30 <sup>th</sup> September 2022

#### **4. FINANCIAL DETAILS / VALUE FOR MONEY**

- 4.1 The construction contract was fully tendered under OJEU rules with five contractors being invited to tender after expressions of interest were received following the publishing of the scheme in the Journal. All five parties submitted tenders and assessed on a combination of costs, track record, financial strength and compliance with the project brief and design.
- 4.2 The project has an acceptable forecast investment return. A summary of budget and forecast returns at Council approval, and current pre-contract stages is set out below.

**Vicus Way  
Investment Case**

	<b>Council Approval (feasibility)</b>	<b>Pre-Contract/ Construction</b>
<b>Total Budget</b>	£13,207,249	£12,857,247
<b>Contingency</b>	£250,000	£215,267
<b>LEP Funding</b>	£1,520,000	£1,520,000
<b>Total Capital Required</b>	£11,687,249	£11,337,247
<b>30 Year IRR</b>	5.16%	5.57%
<b>NPV</b>	£17,435,662	£17,808,110
<b>50 Year IRR</b>	6.72%	7.05%
<b>NPV</b>	£28,368,032	£28,974,009

- 4.3 £2,200,000 has been spent to date in design, project management and tender fees along with site clearance and enabling works. These costs would be transferred to the revenue budget if the project is cancelled.
- 4.4 Delaying the project will see the loss of the £1,520,000 capital contribution from the LEP.
- 4.5 The budget for the project has already been included in the MTFP and as such no overall change to the revenue and capital budget is required. A transfer of the LEP funding and budget of £1,520,000 from the combined Maidenhead Station Interchange and Car Park budget to the Vicus Way Car Park budget as approved in the Council report of 19<sup>th</sup> July 2018 will now be actioned

## **5. LEGAL IMPLICATIONS**

- 5.1 The Council will enter a JCT Design and Build contract with Buckingham Group which places the majority of the risk on the contractor with limited risk on the Council.
- 5.2 The contract is being documented by Shared Legal Solutions with input and instruction from Faithfull and Gould acting as quantity surveyors/project managers and the RBWM Property Company as development manager.

## **6. RISK MANAGEMENT**

- 6.1 Site geotechnical and environment surveys have been undertaken for the site along with surveys for utility and other third-party infrastructure on the site.
- 6.2 Title documentation has been reviewed by SLS and rights of third parties identified and where required agreement are in place to enable the project.

- 6.3 The design of the scheme has been fully developed by the professional team ahead of tendering the scheme.
- 6.4 The contract with the main contractor is a JCT Design and Build Contract where the majority of risk sits with the contractor. The contractor is liable for Liquidated and Actual Damages in the event the project is delayed subject to force majeure.
- 6.5 The contractor Buckingham Group are a long-standing family owned and managed contractor with significant track record in the construction of large construction and infrastructure projects including Multi-Storey Car Parks. The company has significant cash reserves and nil debt. In addition, the contractor will provide a performance bond that protects the Council in the event of contractor failure.

**Table 4: Impact of risk and mitigation**

<b>Risks</b>	<b>Uncontrolled risk</b>	<b>Controls</b>	<b>Controlled risk</b>
Project delay resulting in delayed income commencement	Low	Fully developed design and site due diligence undertaken. Financial penalties via LADs in place to replace lost income	Low
Cost Escalation	Low	Fully designed scheme that is fully developed and therefore few provisional sums included. Covid19 allowed for in programme and cost budget. JCT Design and Build contract places risk on contractor save for Client variations, force majeure etc	Low
Contractor Failure	Low	Financially robust contractor appointed and performance bond to be provided	Low
Leasing risk	Low	Maidenhead is forecast to grow significantly in the future with large scale regeneration projects delivering substantial commercial and residential space which will drive demand for car spaces. The scheme is close to the main line station which will benefit from the arrival of the full Elizabeth Line Service. There are several sources of demand for	Low

Risks	Uncontrolled risk	Controls	Controlled risk
		business related car parking spaces	

## 7. POTENTIAL IMPACTS

- 7.1 Equalities – An Equality Impact Assessments screening form has been completed and is available on the [council's website](#).
- 7.2 Climate change/sustainability. The car park will provide EV charging points for 10% of the car spaces along with containment to enable a further 10% to be installed (subject to power availability and substation upgrade) with little building works. The location and use of the car park is aimed at reducing the need for cars to enter Maidenhead town centre particularly for long term business or commuter parking.

The appointed contractor has a commitment to minimise and reduce waste wherever possible both within its corporate aims and policies an also within its tender documentation for the project.

- 7.3 Data Protection/GDPR - No personal information has been used or stored.

## 8. CONSULTATION

- 8.1 Internal consultation with CLT and Lead Members, Capital Projects Board and the Parking Project Board.

## 9. TIMETABLE FOR IMPLEMENTATION

- 9.1 Implementation date if not called in: Immediately  
The full implementation stages are set out in table 5

**Table 5: Implementation timetable**

Date	Details
28 <sup>th</sup> February 2021	Complete Contract with Buckingham Group
1 <sup>st</sup> May 2021	Start on Site
30 <sup>th</sup> September 2022	Completion of the Car Park

## 10. APPENDICES

- 10.1 Appendix A – Part II - Investment Summary  
10.2 Appendix B – Part II - Maidenhead Public Parking Provision

## 11. BACKGROUND DOCUMENTS

- 11.1 This report is supported by 1 background document:
- Equality Impact Assessment Screening Form

## 12. CONSULTATION (MANDATORY)

Name of consultee	Post held	Date sent	Date returned
Cllr Johnson	Lead Member for Business, Economic Development & Property.	31/12/20	06/01/21
Duncan Sharkey	Managing Director	31/12/20	06/01/21
Adele Taylor	Director of Resources/S151 Officer	31/12/20	12/01/21
Kevin McDaniel	Director of Children's Services	31/12/20	
Hilary Hall	Director of Adults, Health and Commissioning	31/12/20	
Andrew Vallance	Head of Finance	31/12/20	06/01/21
Elaine Browne	Head of Law	31/12/20	05/01/21
Mary Severin	Monitoring Officer	31/12/20	06/01/21
Nikki Craig	Head of HR, Corporate Projects and IT	31/12/20	
Louisa Dean	Communications	31/12/20	
Karen Shepherd	Head of Governance	31/12/20	04/01/21

### REPORT HISTORY

<b>Decision type:</b> Key decision: date it was first entered into the Cabinet Forward Plan: 23 <sup>rd</sup> October 2020	<b>Urgent item:</b> No	<b>To Follow item?</b> No
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