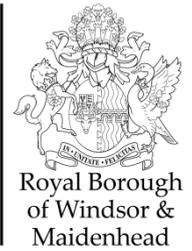


Report Title:	Broadway Car Park, Maidenhead
Contains Confidential or Exempt Information?	NO – Main Report and Appendix A. YES – Appendices B & C - Part II Not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.
Lead Member:	Councillor Johnson, Lead Member for Business, Economic Development & Property.
Meeting and Date:	Cabinet – 28 th January 2021
Responsible Officer(s):	Duncan Sharkey- Managing Director
Wards affected:	St Mary's

www.rbwm.gov.uk



REPORT SUMMARY

1. Cabinet Approval for the development of a new Multi-Storey Car Park to replace the current Nicholson's Car Park was approved in September 2018.
2. The initial budget of £35,313,163 was approved from which £470,000 was vired to fund legal, valuation and project management fees to negotiate the Land Sale Agreements for the sale of Nicholson's Centre Freehold, Central House Leasehold and Freehold and Land Swap of the Broadway Car Park in April 2019 and a further £480,000 was vired to fund associated Covid cost at Braywick Park in June 2020.
3. The Broadway Multi-Storey Car Park is being delivered as part of the wider Nicholson's Quarter Masterplan. The initial planning application was submitted to the Local Planning Authority (LPA) in May 2020 following public consultation and pre-application advice from the LPA. Following further consultation and feedback a revised application was submitted in November 2020.
4. The Council has agreed to enter into a new 125 year lease to enable Denhead S.A.R.L. to construct a self-contained basement car park beneath the MSCP at its own cost and a separate 50 year lease over 188 car parking spaces in the upper level on commercial rental basis, subject to a break option in the favour of the council after 30 years.
5. A new facility will be provided for Maidenhead Shopmobility and Changing Places on the ground floor of the car park along with active units for commercial uses on both Brock Lane and Broadway.
6. To enable vacant possession of the site and in line with Council approval to acquire Siena Court in July 2019, the lease to Broadway Centres Limited at Siena Court will be surrendered to the Council.
7. Following a full review and tender process the Council will enter a construction contract to deliver the new car park.

1. DETAILS OF RECOMMENDATION(S)

RECOMMENDATION: That Cabinet notes the report and:

- I. Approves entering into the Development Agreement with Denhead S.A.R.L. that commits the Council to delivering the new Broadway Car Park and leasing the podium space above the car park entrance in line with submitted plans.**
- II. Approves obtaining vacant possession of Siena Court and accepting a surrender of the lease from Broadway Centre Limited.**
- III. Approves entering into a new 50-year lease over 188 car parking spaces to Denhead S.A.R.L on commercial terms subject to a break after 30 year in favour of the Council and the retention of the ability to redevelop the site in the future.**
- IV. Approves rescinding the previous offers of accommodation within the new development made to the Maidenhead Community Centre and Maidenhead Heritage Centre.**
- V. Approves the leasing of a new facility to Maidenhead ShopMobility at a peppercorn rent.**
- VI. Approves leasing the remaining space on the ground floor on commercial basis to generate revenue income for the Council.**
- VII. Delegate's authority to the Managing Director, in consultation with the Lead Member for Business, Economic Development & Property to conclude the Development Agreement and appropriate leasing contracts.**

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

Options

Table 1: Options arising from this report

Option	Comments
Enter into the various agreements and contracts outlined in this report to enable the delivery of the new Broadway MSCP as part of the Nicholson's Quarter Regeneration Scheme This is the recommended option	Subject to planning the master planned regeneration of central Maidenhead can be enabled.
Do not enter into the various agreement and contracts This is NOT the recommended option	Maidenhead will miss the opportunity to have a comprehensive master planned regeneration scheme in the Town Centre. The Broadway Car Park will remain in its current location.

- 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 Council owns the existing Nicholson's Car Park in central Maidenhead which provides parking spaces for 734 cars and is used by a mix of long-term business occupiers and short-term shoppers and visitors. The car park has a high maintenance obligation and is coming to the end of its economic life.

The Council began planning for the refurbishment or redevelopment of the MSCP in 2015 as part of its wider regeneration plans for Maidenhead to allow for reduced car parking provision as several surface public car parks would be redeveloped for residential use.

- 2.2 Cabinet Approval was granted in September 2018 to demolish the existing car park and build a new MSCP with the Capacity of 1,333 car parking spaces along with 22,000 sq ft of retail space on the ground floor.
- 2.3 Two separate design projects were pursued to obtain planning consent to demolish and construct the new car park on its existing site. In early 2019 the Nicholson's Shopping Centre was acquired by Denhead S.A.R.L. (Denhead), a JV between ARELI Real Estate and Tickehau Capital and agreement was reached with the Council to relocate the new car park to an alternative site within the masterplan area to allow for a comprehensive and coherent town centre to be delivered.

The existing car park occupies a central position within Maidenhead with frontage to the Broadway and King Street. This forms a significant barrier to

moving through the town centre. The new MSCP will be relocated eastwards and occupy a site with frontage to the Broadway and Brock Lane

- 2.4 A Land Sale Agreement (LSA) that enables a land swap to take place was exchanged in February 2020 between the Council and Denhead.
- 2.5 The detailed planning application for the new car park forms part of a hybrid planning application for the Nicholson's Quarter Regeneration Project. The initial application was submitted in May 2020 following public consultation and Pre-Application process with the LPA. The hybrid application has phase I, as a detailed submission, with an outline for subsequent phases for the wider development. Phase I, includes the detailed design for the new MSCP.

Following detailed consultation and feedback from the Local Planning Authority (LPA) and other stakeholders, a revised planning application was submitted on 16th November 2020 that reduced the scale of the overall scheme including the newly proposed Broadway MSCP.

The Council's recently approved parking strategy and the LPA seek to reduce the amount of commuter traffic into central Maidenhead with the new Broadway MSCP focused on use by short stay visitors to the Town Centre.

The LPA have required that both the Brock Lane and the Broadway elevations should have an active frontage.

A special Development Management Panel will take place in Q4 2020/2021 to determine the application for 888 car parking spaces in the new MSCP to be constructed and owned by the council, plus additional parking throughout the new scheme to accommodate residential and offices users, with over 600+ residential homes, offices and flexible retail use.

- 2.6 The original master plan application for the town centre included a new MSCP providing 1,280 car parking spaces over ground and 11 upper levels, new units for the potential relocation of Maidenhead Heritage Centre and Maidenhead Community Centre on the ground floor and a new ShopMobility Facility on Level 2.
- 2.7 The revised master plan application seeks consent for a new MSCP with the capacity for 888 car parking spaces over ground and 8 upper levels, a reduction of 3 storeys. It also assumes a podium garden on top of the entrance to the new car park, with access available to residents of the adjacent block.
- 2.8 The Council will seek to grant a lease for the use of this space to the residents of the adjacent block, in favour of Denhead covering the build cost for this element of the new car park.
- 2.9 700 spaces will be public pay and display parking including 41 blue badge and 30 parent and child spaces
- 2.10 188 spaces on the upper 2 levels will be leased to Denhead to provide car parking for the office element of the Nicholson's Quarter. The lease will be on

commercial terms for a term of 50 years subject to a Landlord break after 30 years.

- 2.11 Beneath the Council's Car Park, Denhead will be granted a 125-year lease to build a basement car park at its own cost to service the Nicholson's residential element. This lease will provide the Council the ability to redevelop the site in the future.
- 2.12 On the ground floor the LPA have required active frontages to both Brock Lane and the Broadway. On Brock Lane a new unit will be delivered for Maidenhead Shopmobility to replace the existing facility along with a commercial unit. On Broadway a large commercial unit that is capable of subdivision is to be delivered to generate income to cover cost of provision.
- 2.13 Following consultation with Shopmobility and the Disability and Inclusion Forum the Shopmobility and Changing Places facility has been located on the ground floor.
- 2.14 The changes to the scheme design mean that units for the Maidenhead Community Centre and The Maidenhead Heritage Centre can no longer be provided within the car park project.
- 2.15 Offers were made in March 2020 to both Maidenhead Community Centre, and The Maidenhead Heritage Centre for their relocation as part of the wider regeneration to ground floor space within the new MSCP as part of the town centre redevelopment.
- 2.16 These offers were made subject to planning, entering into a lease agreement, and confirmation of acceptance of our offer. The scheme as designed when the offers were made has now changed substantially through the planning consultation process. We have to date also never received acceptance of these offers.
- 2.17 The design, planning and specification of the new MSCP car park, and its associated active commercial space now needs to be income generating in order to contribute to the overall financial performance of the scheme, therefore alternative locations need to be found for these two community use facilities.
- 2.18 Maidenhead Community Centre have been offered an alternative location at 4 Marlow Road, which they have accepted in principle subject to heads of terms and lease agreements being entered.
- 2.19 The Property Company will continue to look at alternative options for The Maidenhead Heritage Centre relocation as part of the ongoing regeneration process.

3. KEY IMPLICATIONS

3.1 Cabinet Approval was granted in September 2018 to demolish the existing car park and build a new MSCP with the Capacity of 1,333 car parking spaces along with 22,000 sq ft of retail space on the ground floor and a capital budget of £35,313,163 was put in place. This budget has been reduced to £34,363,163 as 2 virement of £470,000 and £480,000 have been approved by Cabinet subsequently.

The virement of £470,000 was required for the project management fees, legal fees and valuation fees, for the work on Nicholson’s to bring the masterplan forward and to negotiate the sale of the freehold interest in Nicholson’s Shopping Centre and the freehold and leasehold interest in Central House.

The virement of £480,000 was required as capital for Braywick Leisure Centre – Covid-19 costs associated with the main contract works to complete the scheme, recognising the ability of the approved budget to support a scheme which offered additional car parking within reasonable proximity to the town centre.

3.2 Rider Levitt Bucknall have been appointed as Cost Consultant and Project Manager on behalf of the Council and provided a cost plan based on benchmark data for multi-storey car parks and allowed for additional items such as the construction of the units of the ground floor units, EV charging points and infrastructure.

Main Contractors Profit, Overhead and Prelims have been allowed for explicitly, significant build cost inflation and risk items have been allowed for.

An estimate for the cost of demolition has been assumed in their report. A copy of the report is contained in Appendix C.

Table 2: Key Implications

Outcome	Unmet	Met	Exceeded	Significantly Exceeded	Date of delivery
Approves entering into the Development Agreement with Denhead S.A.R.L. that commits the Council to delivering the new Broadway Car Park	The Project will not proceed as a large integrated masterplan				31 st January 2024
Approves obtaining vacant	Council is unable to				

Outcome	Unmet	Met	Exceeded	Significantly Exceeded	Date of delivery
<p>possession of Siena Court and accepting a surrender of the lease from Broadway Centre Limited</p> <p>Approves entering into a new 50-year lease over 188 car parking spaces to Denhead S.A.R.L on commercial terms subject to a break after 30 year in favour of the Council and the retention of the ability to redevelop the site in the future.</p> <p>Approval to rescind the previous offers of new accommodation within the new development made to the Maidenhead Community Centre and Maidenhead Heritage Centre</p> <p>Approve the leasing of a new facility to Maidenhead ShopMobility at a peppercorn rent.</p>	<p>obtain vacant possession of the building required to enable the development</p> <p>These spaces are required to serve the offices in the Nicholson's Quarter and RBWM lose stable long-term income</p> <p>The Council would need potential income from the ground floor unit.</p> <p>There would be no Shopmobility facility on Maidenhead Town Centre</p>				

Outcome	Unmet	Met	Exceeded	Significantly Exceeded	Date of delivery
Approval to lease the remaining space on the ground floor on commercial basis to generate revenue income for the Council	The Council will lose the potential to lease the units and receive income				

4. FINANCIAL DETAILS / VALUE FOR MONEY

- 4.1 The impact of the reduced size of the MSCP and the additional costs of providing the active frontage is set out in Appendix B. The costs of providing the basement car park have been excluded, as these will be Denhead's responsibility to fund in advance of entering a contract with a contractor.
- 4.2 Car parking revenue assumptions remain consistent with those contained in the viability report produced for the September 2018 Cabinet Report. These will be updated prior to entering into an agreement for lease for spaces, in order to demonstrate and receive up to date commercial rents, and to set the cost of parking for user of the new shopping centre. The long-term implications of Covid-19 on future commuting and shopping patterns are not known at this time.
- 4.3 The ground floor units assume conservative rental values of £15 psf on Brock Lane and £10 psf on the Broadway however there is material uncertainty around valuing retail or hospitality units in the current economic environment. These rental values are similar to those adopted for the retail units in the original scheme, but the floor space is much reduced and includes the ShopMobility Unit.

Discussions are taking place with an A3 operator for a large unit on the Broadway who would have to relocate from their current premises in Nicholson's Shopping Centre and we have assumed a concessionary rental value of £7psf during the first 5 years of the lease to enable the re-establishment of their business before a minimum uplift to £10 psf or review Open Market Value whichever is the higher. This concession reduces the Income to the Council by £15,000 pa and the IRR by 0.02%. However, this would give certainty and pre-letting to this space, that otherwise may be challenging whilst the regeneration of the new centre is taking place. This would also encourage other operators to consider moving into the new regenerated town centre space.

- 4.5 The budget for the project has already been included in the MTFP and as such no change to the revenue and capital budget is assumed.

5. LEGAL IMPLICATIONS

- 5.1 The Council has instructed Gowling WLG to act as its legal advisor and solicitor for redevelopment of the new Broadway Car Park and the various legal agreement required.
- 5.2 The Council has entered into a Land Swap Agreement with Denhead to enable the relocation of the car park.
- 5.3 The Council will enter into a Development Agreement with Denhead to provide the car parking spaces below ground at Denhead's cost. The Council will have the responsibility for the delivery of the new MSCP at Broadway, and its active frontage commercial space.
- 5.4 The Council will enter into a 125-year lease with Denhead over the Basement Car Park area at a peppercorn rent. (Denhead will be meeting all cost for the provision of this basement car park, along with all construction risks). The Council will have the ability to make changes to the basement in the event of redevelopment of the site in the future.
- 5.5 The Council will enter into an agreement for lease for a 50-year lease on a commercial basis for 188 car parking spaces on the upper 2 levels, subject to a break clause after 30 years in the Council's favour.
- 5.6 Entering into the Development Agreement will commit the Council to delivering the new Broadway Car Park subject to achieving planning consent.

6. RISK MANAGEMENT

- 6.1 The redevelopment is subject to planning permission being granted for the Nicholson's Quarter Masterplan in its entirety as the MSCP is integral to the scheme as it provides public Pay & Display Parking along with some long-term car parking to support the other uses. The new proposed location aids both the future of the council's asset, as well as a better masterplan for the town centre.
- 6.2 The project programme is subject to obtaining vacant possession of the entire Nicholson's site. If a Compulsory Purchase Order (CPO) is required, this will add 12 months to timescale. The costs of obtaining vacant possession will be met by Denhead including any CPO costs.
- 6.3 The delivery of the new car park and the demolition of the existing car park are both large scale contracts with the associated, procurement, contractual, health and safety risk. Risk Registers will be established for both projects.
- 6.4 The Council will enter JCT contracts to undertake the construction of the new car park that will place risk with the contractor. Only financially strong contractors will be invited to tender the contract and performance bonds will be required.

Table 4: Impact of risk and mitigation

Risks	Uncontrolled risk	Controls	Controlled risk
Project delay - Planning	Medium	The project requires planning permission. Extensive consultation with stakeholders and planning officers has taken place ahead of the submission of the planning application	Low
Project delay - vacant possession	Medium	Several occupiers have leases that do not expire for a number of years. Denhead must conclude negotiations to agree early surrenders of these leases and the payment of compensation. Compulsory Purchase Order powers sit with the Council if necessary and all other avenues are exhausted	Low
Cost Escalation	Low	JCT Design and Build contract places risk on contractor save for Client variations, force majeure etc	Low
Contractor Failure	Low	Financially robust contractor to be appointed and performance bond to be provided	Low
Leasing risk – Car Park	Low	A new MSCP will provide high quality parking spaces including EV charging points in the centre of a regenerated and expanded Town Centre that will be attractive to residents and visitors	Low
Leasing Risk – commercial units	Medium	The retail and hospitality sectors are currently experiencing severe difficulty as a result of changes to consumer habits and the accelerative impact of Covid19. However, the amount of retail space in the new Nicholson’s is considerably smaller and the population and consumer base of	Low

Risks	Uncontrolled risk	Controls	Controlled risk
		Maidenhead will grow substantially. Conservative rental values have been adopted in the viability.	

7. POTENTIAL IMPACTS

7.1 Equalities - Equality Impact Assessments screening form has been completed and is available on the [council's website](#).

7.2 The new car park will provide a new unit to accommodate Maidenhead Shopmobility and Changing Places in a specifically designed facility that will open onto Brock Lane adjacent to the lifts. The location follows consultation and input from the Disability and Inclusion Forum. The new car park will provide 41 blue badge car parking spaces on the ground and first floors which will be free for badge holders.

During construction of the new car park a temporary facility will be provided for Maidenhead Shop Mobility within the Town Centre to be located on surface car park at West Street.

7.3 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. All M&E infrastructure would focus on using low energy features such as LED lighting and kinetic lifts

The tender process will require contractors to commit to minimise waste and re-use materials wherever possible.

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

8. CONSULTATION

8.1 Internal consultation with CLT and Lead Members, RBWM Property Company 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 – the timing is dependent on receiving planning consent for the New Development in February 2021 and Vacant Possession by August 2021. If a Compulsory Purchase Order (CPO) is required to achieve vacant possession this will add 12 months to the programme

Table 5: Implementation timetable

Date	Details
16 th November 2020	Revised Planning Application submitted to LPA
Q4 2020/2021	Development Management Panel
28 th February 2021	Enter in Development Agreement, Agreements for lease and Deed of Variation to the LSA with Denhead
31 st August 2021	Vacant Possession of Site if no requirement for CPO
31 September	Commence Demolition of Broadway Car Park and New Car Park Site
30 th April 2022	Commence Construction
31 st January 2022	Completion of New Car Park

10. APPENDICES

- 10.1 Appendix A - Proposed Broadway Multi-Storey Car Park Plans
Appendix B - Investment Case Summary – Part II
Appendix C - RLB Benchmark Cost Report – Part II

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.		
Duncan Sharkey	Managing Director	03/01/21	05/01/21
Adele Taylor	Director of Resources/S151 Officer	03/01/21	12/01/21
Kevin McDaniel	Director of Children's Services	03/01/21	
Hilary Hall	Director of Adults, Health and Commissioning	03/01/21	
Andrew Vallance	Head of Finance	03/01/21	06/01/21
Elaine Browne	Head of Law	03/01/21	05/01/21
Mary Severin	Monitoring Officer	03/01/21	04/01/21
Nikki Craig	Head of HR, Corporate Projects and IT	03/01/21	
Louisa Dean	Communications	03/01/21	
Karen Shepherd	Head of Governance	03/01/21	04/01/21

REPORT HISTORY

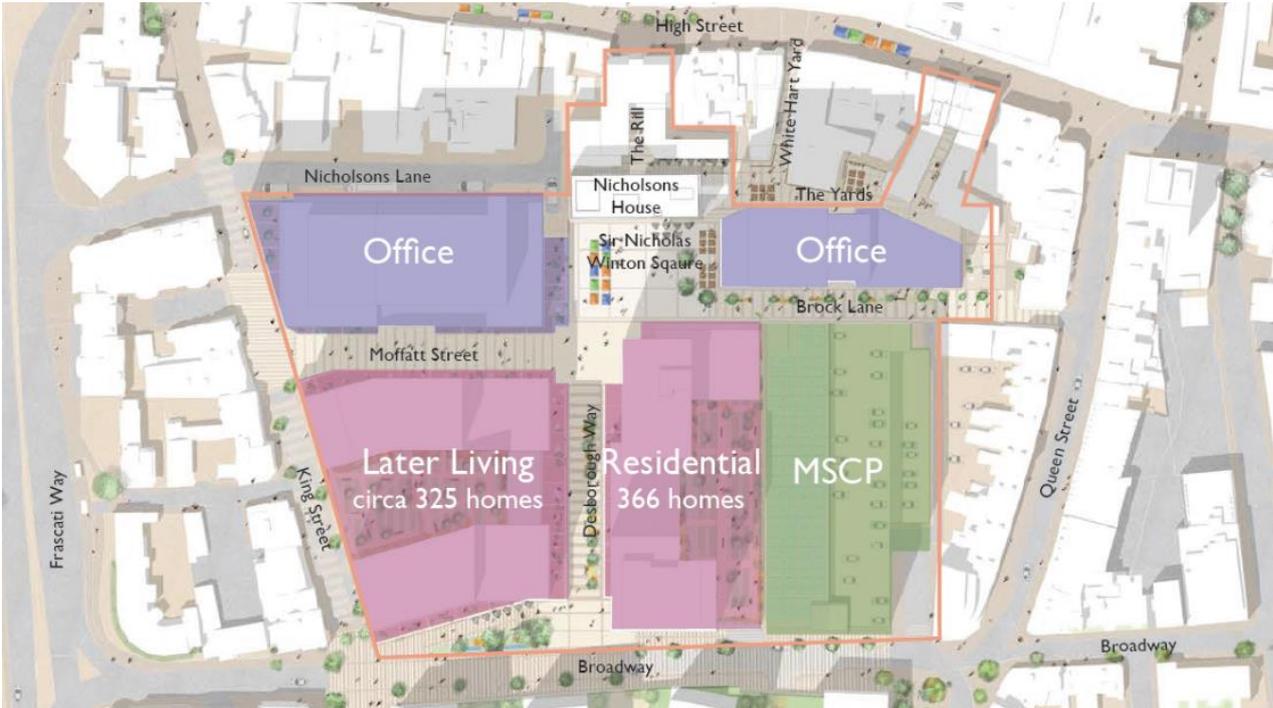
Decision type: Key decision: date it was first entered into the Cabinet	Urgent item: No	To Follow item? No
---	---------------------------	------------------------------

Forward Plan: 10th December 2020		
-------------------------------------	--	--

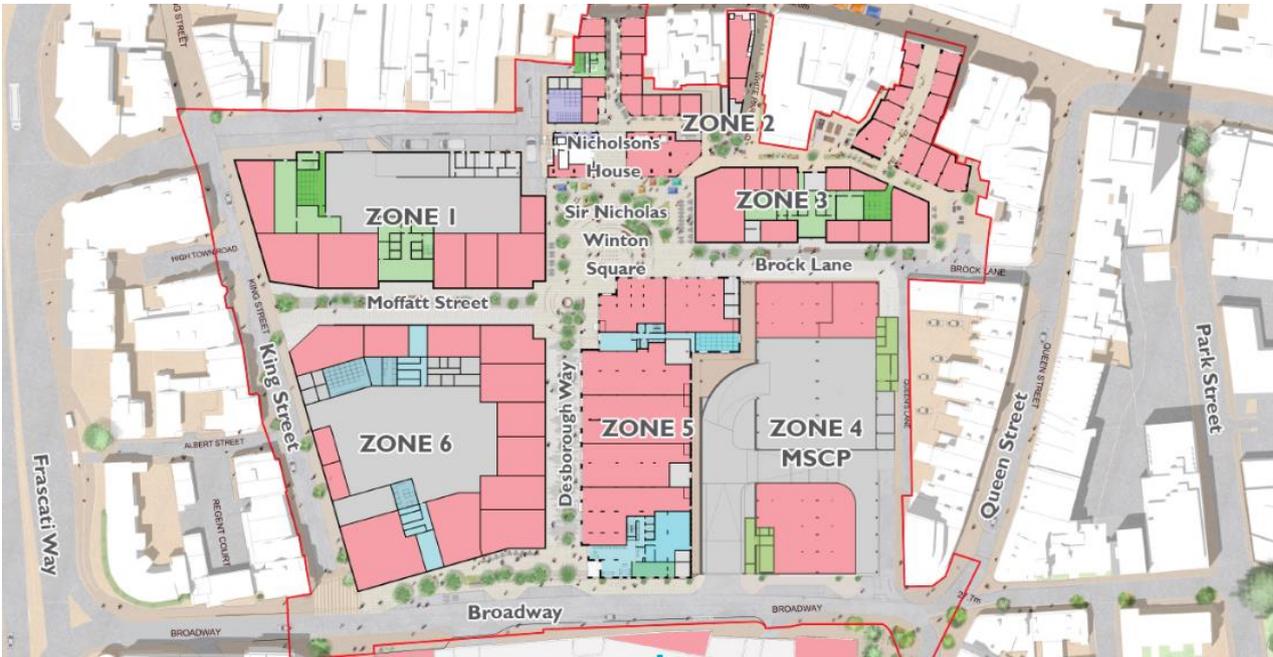
Report Author: Chris Pearse, Head of Capital Projects and Asset Management, RBWM Property Company Limited 01628 796171

Appendix A – Proposed Broadway Multi-Storey Car Park Plans

The Nicholson's Quarter Masterplan



The Nicholson's Quarter Masterplan – Ground Floor Uses Plan



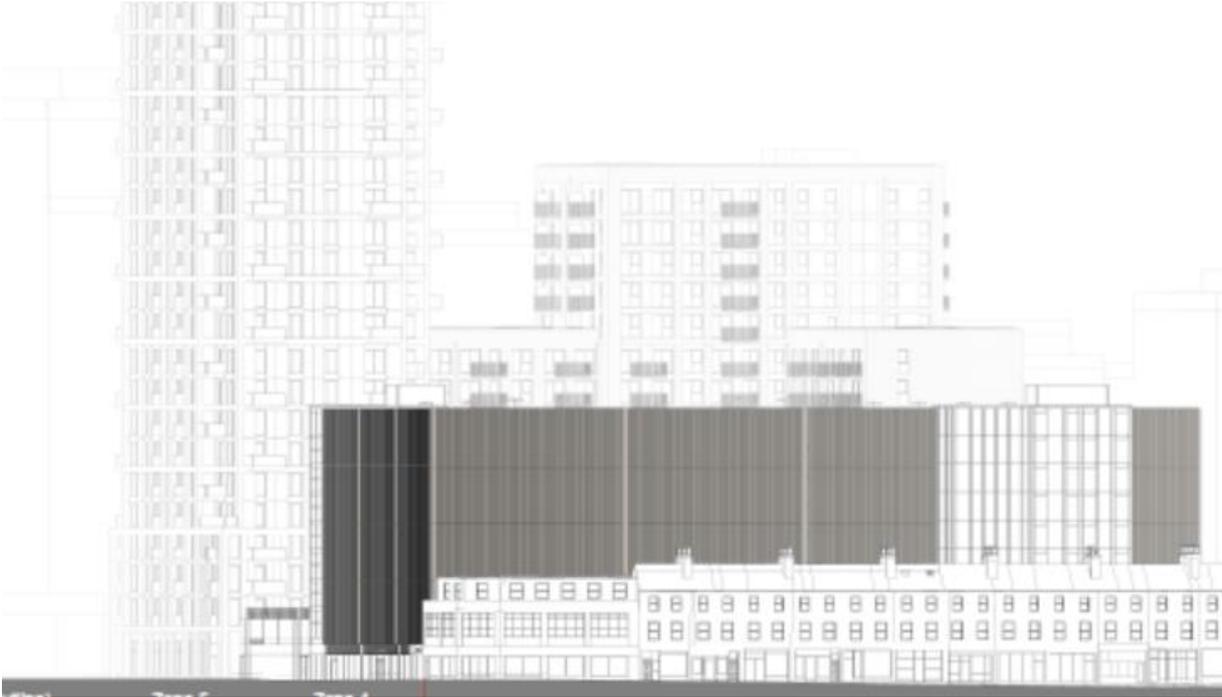
The Nicholson's Quarter Masterplan Model View from the West



The Nicholson's Quarter Masterplan Model View from the South



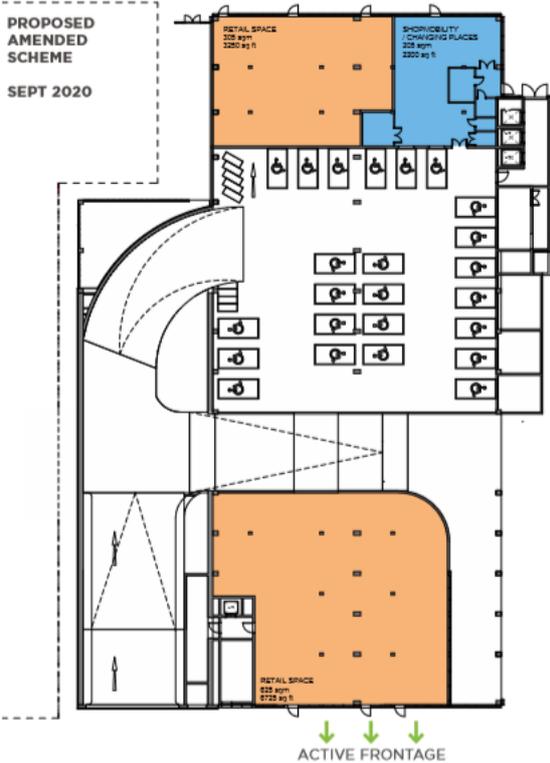
The Broadway Car Park Profile from the West



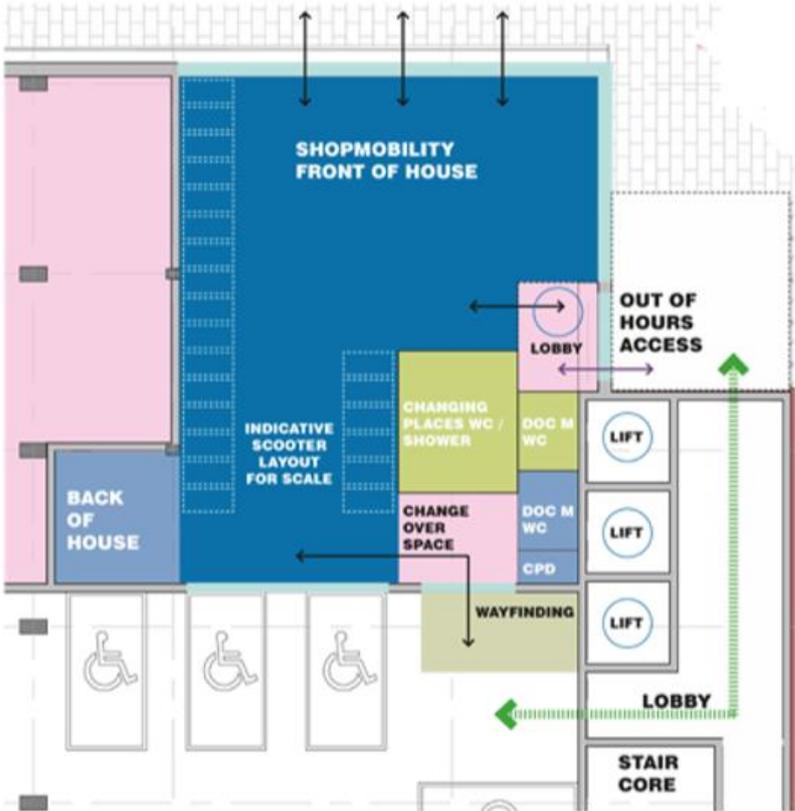
The Broadway Car Park – Broadway Elevation



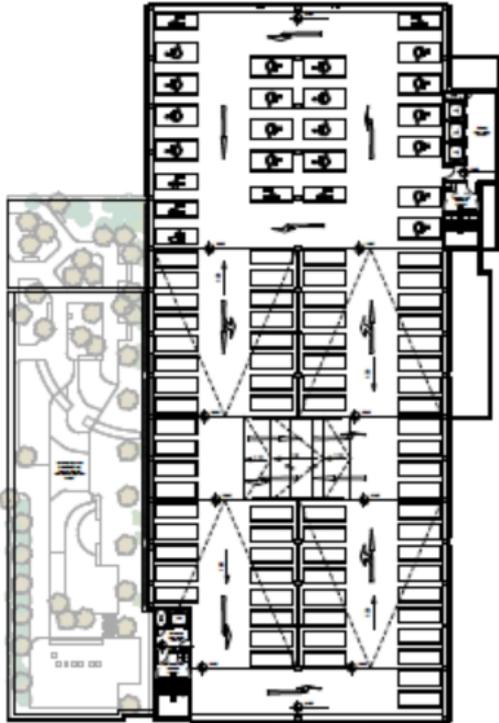
Broadway Car Park Ground Floor Plan



Shop Mobility and Changing Places Facility Proposed Layout



Broadway Car Park First Floor Plan



Broadway Car Park Floors 2 to 8 Plan

