

Report For:	Cabinet
Date of Meeting:	Cabinet 17 December 2018
Part:	Part 1 - Open

<b>SUMMARY</b>	
<b>Title of Report:</b>	<b>BAKER STREET – PHASE 2</b>
Cabinet Member: Officer Contact: Direct Dial: Email:	Councillor Steve Broadbent Charles Brocklehurst 01494 421280 Charles.brocklehurst@wycombe.gov.uk
Ward affected:	Abbey
Reason for the Decision:	The Baker Street area renewal scheme originally included Phase 3, as a proposed commercial redevelopment (Phase 1 and 2 being Aldi and DesBox). It has not proven possible, so an alternative use is proposed.
<b>Proposed Decision:</b>	<b>That:</b> <ul style="list-style-type: none"> <li><b>(i) the development of the Baker Street ‘Phase 2’ site outlined in black on the plan at Appendix A as surface car parking with the retention / upgrading of existing buildings, as set out in paragraph 3, be approved; and</b></li> <li><b>(ii) the delegation of the release of the budgets referred to in paragraph 4 to the Corporate Director in consultation with the Major Projects Executive, Head of Finance &amp; Commercial and Cabinet Member for Economic Development &amp; Regeneration be approved.</b></li> </ul>
Sustainable Community Strategy/Council Priorities - Implications	<p>The proposed development will meet the Council's Place objective.</p> <p>Risk: The proposed revised car park scheme is subject to obtaining a change of use consent. A planning application has been submitted.</p> <p>Equalities: The proposed car park will include 'blue badge' spaces.</p> <p>Health &amp; Safety: The project team for the proposed scheme includes a Principal Designer to monitor H&amp;S implications.</p>

Monitoring Officer/ S.151 Officer Comments	<p><b>Monitoring Officer:</b> Subject to availability of funding and decision making processes being followed, the Council has power under S111 of the Local Government Act 1972 and/or Section 1 of the Localism Act 2011 to undertake the development described in this report.</p> <p><b>S.151 Officer:</b> The budget allocations for Baker Street works of £650k are in the approved Capital programme. The £250k funding of the works for the additional car parking development is also within the approved capital programme.</p> <p>The virement as set out in the report will need to be approved.</p>
Consultees:	Public consultation is not required for a change of use.
Options:	The Baker Street '20 year managed estate' masterplan restricts options, based as it is on retaining freehold ownership of Phases 1, 2 and 3, so as to have the ability to reconsider comprehensive redevelopment in 20 years' time. Two commercial redevelopment proposals have proven undeliverable, so the proposal is a car park. A "do nothing option" will not complete the regeneration of the Baker Street area.
Next Steps:	To secure planning permission and procure the necessary works.
Background Papers:	Held by Major Projects (including previous abortive proposals).

Appendices to this report are as follows:

Appendix A – Proposed car park layout plan.

## Detailed Report

### Executive Summary

1. The Baker Street masterplan was based on the redevelopment of three sites, as part of a 20 year 'managed estate'. Phase 1 (Aldi) was recently completed. Phase 3 (DesBox) is underway. However, proposals for the Phase 2 site stalled when the potential occupier held out for a freehold, as against occupational lease. Investigations into the feasibility of developing a drive-through retail business on the site have resulted in the conclusion that planning permission would be difficult to obtain, so that coupled with the poor ground conditions experienced on the nearby Phases 1 and 3, it would be more commercially and practically sound to pursue a different approach. So the proposal is to retain and refurbish the existing building fronting Westbourne Street (Capital House) and convert the remainder of the site (largely used on a temporary letting for car storage / sales), into a public car park.

## **Background and Issues**

2. The Cabinet approved an allocation in the 2018/19 Major Projects Capital Programme of £650k, to fund redevelopment of the Baker Street Phase 2 site. The original proposal for a car showroom on the site failed to materialise. The intention then changed, to develop a drive-thru' restaurant on the Westbourne Street frontage and surface parking on the remainder of the site.
3. The proposed drive-thru' ran into both financial viability and potential planning and highways problems. Ground conditions experienced on both the Aldi and DesBox sites also meant that estimated development costs increased. When the loss of income from existing buildings' potential rental value of £55k p.a. is taken into account (subject to refurbishment), this makes the drive-thru' scheme financially unviable, the proposed tenant having offered £65k p.a. conditional upon the Council investing £0.5m towards tenant's works, as well as meeting the cost of creating a developable site. In addition, concerns from Planning about the highways impact of a drive-thru' meant that the drive-thru' proposal would carry a high planning risk. So the proposal is to change the scheme and instead retain/upgrade one or both of the existing buildings with the external areas (which have been temporarily let for car storage) being converted to a public car park (see plan attached). This will provide up to 51 spaces, with a projected estimated gross income of £85k per annum.
4. Funding for the retention / upgrading of the existing buildings will make use of the existing £650k capital budget allocation in the Major Projects Capital Programme, subject to an acceptable Business Case. Funding of £250k for the conversion of the external areas to a public car park will also come from an existing approved and released Capital Programme budget for additional car parking.

## **Conclusions**

5. The proposed car park and retention/upgrading of the existing buildings will generate/maintain an estimated income stream of c. £140k p.a. The proposed car parking will improve the lettability of DesBox.