

Great Langborough Residents' Association

Wokingham Town Centre Regeneration

Report of the Meeting 03.07.2015

1. Purpose of Meeting

The purpose of the meeting was to understand further the financial plan projections for the Regeneration. The previous meeting on this topic took place on 14.05.2014. The main focus was again on the management of public funds.

Since May 2014, the scope of the regeneration project had been expanded by the addition of the proposed development of the Carnival Pool site. Further public information had been published about the proposed developments of Elms Field and Peach Place and additional consultations had taken place.

2. Attendees

Because the overall plan had been changed in several important aspects, an update meeting had been requested by Robin Cops, Committee Member of Great Langborough Residents' Association (GLRA). He was accompanied by David Nash, Secretary of GLRA.

Wokingham Borough Council was represented by Councillors: Philip Mirfin, Executive Member for Regeneration and Anthony Pollock, Executive Member for Finance with Officers: Graham Ebers, Director of Finance & Resources; Keith McKenzie, Financial Lead Officer for the Regeneration; Bernie Pich, Head of Town Centre Regeneration. The meeting followed a presentation by Philip Mirfin to GLRA members at the Association's AGM on 22.06.2014.

3. Main Projects of the Regeneration Scheme

The scheme now included development of the following sites: -

- Peach Place.
- Carnival Pool
- Elms Field
- The retained assets and the refurbishment project now completed, known as 'Peach Place Portfolio

3.1. Peach Place & Market Place developments

WBC had purchased Bush Walk. Peach Place would increase the footfall through Bush Walk. The addition of apartments above retail premises would enhance revenue.

The design of Peach Place would be overseen by the Design Review Group – no names of group members were mentioned at this meeting.

In a separate project, WBC and WTC would fund jointly the levelling of Market Place. Underground services would be added. There would be new surface treatment. The work would take place in early 2016. On its active days, the market would potentially be relocated temporarily to Rose Street car park. The existing disabled car park spaces will hopefully be re-located to Rose Street prior to this. As part of the redevelopment scheme, it will be necessary to acquire a strip of M&S west car park. This will be included within the CPO going forward with a re-configuration of this car park to maintain the 14 spaces.

3.2. Carnival Pool development funding

WBC has received a Local Enterprise Partnership loan to part fund the build of the car park. The planned residences would generate some income. However, the investment in this site would be primarily to support the community needs for parking and other provided amenities.

3.3. Elms Field development – revisions

Revisions to the Elms Field plan were announced in early 2015. The main changes were a smaller food store and surface car park; an enlarged hotel (now with a restaurant – another Whitbread group brand); a boutique cinema.

Currently, two approaches are being adopted within the financial plan. The planning applications must be supported by a financial appraisal which assumes all assets are sold. In parallel, WBC has a financial plan based on the freehold sale of the residential properties and leases of the commercial assets. Reference was made to a 65% pre-let status. This will be the case for Elms Field if WBC achieves the pre-lets at the level of income currently planned. The current executive view was that ownership should be retained by WBC as a source of long term future income. However, this view was not supported universally among council members. The current view on lease periods was: major units on 20 – 25 year leases; cinema on 15 years; retail units on 10 – 15 years, according to size

There followed a confidential brief on the projected base and best case assumptions on the break-even point and potential net income streams. During this session, we learned that a bill of quantities had been produced to verify the cost estimates.

4. Oversight

Periodically, plans are presented to the Conservative Group and the whole Council.

In addition, the regeneration project is now being reviewed by a seven member Scrutiny Group, chaired by Cllr. David Lee. It consists mostly of members who have town centre wards. Other names mentioned were David Chopping, Philip Mirfin and Mark Ashwell.

There was no independent scrutiny by individuals outside the Council.

5. Resources

David Nash expressed the concern that the scheme appeared to be managed totally by councillors and officers. There was a need to have a strong team to ensure the success of such a large and complex plan. He acknowledged high levels of skill in council officers and useful experience of various councillors. Nevertheless, the normal business of Wokingham BC limited the availability of appropriate skills and time.

It was explained that the cost analysis had been carried out by Faithful+Gould; David Wilson Homes was experienced at residential selling; Strutt & Parker would be engaged on a commission basis to obtain tenants for the retail properties. Murray Lloyd was mentioned in the context of the planning. He was engaged in the project under DTZ, a leading national real estate services company. Through the project he set up his own business. WBC elected to retain his services due to his experience and knowledge of the scheme. Murray leads on the appraisal processes and is involved in options analysis and associated development matters. The Regeneration Company, which oversees the total project, consists of officers, councillors, stakeholders and partners.

6. Future Meetings

We suggest that the next meeting could focus on the marketing aspects of the plan.

In addition, GLRA will continue to have a strong interest in the overall financial outlook and steps to increase the robustness of the projections.