

**A JOINT MEETING OF THE RESOURCES &
HEALTHY COMMUNITIES POLICY ADVISORY GROUPS (SBDC)**

Meeting - 29 January 2018

Present: B Gibbs (Chairman)
D Anthony, R Bagge, P Bastiman, S Chhokar, P Kelly,
D Pepler, J Jordan and W Matthews

Apologies for absence: P Hogan and M Bezzant

29. DECLARATIONS OF INTEREST

There were no declarations of interest.

30. REDEVELOPMENT OF FORMER GERRARDS CROSS POLICE STATION SITE

Members received a report setting out the draft business case for the proposed redevelopment of the former Police Station site in Gerrards Cross to deliver 34 rented apartments. The current expenditure to progress the project to date was £352,000. The site was purchased for £4M. An estimated £8,529,286 of additional investment was required to progress the project based on the recommended brick and block cavity construction. It was proposed that the project be financed using a fixed rate loan from the Public Works Load Board. The annual net rental income was estimated to be £297,125.

Members reviewed the business case in detail, and noted that the final business case would be subject to Cabinet approval. During the ensuing discussion the following key points were made:

A budgetary provision of £5.3M had already been included in the Capital Programme, and Members raised concerns regarding the increase in the investment required to progress the project. It was noted that the existing budget provision was based on a desktop study by the consultant preparing the Council's asset management plans. The initial works costs estimate from the Scape framework contractor Willmott Dixon indicated that the recommended construction method would cost £7,149,000 to build. Members felt that the construction cost was very high for a residential development. It was noted that initial comparisons with other similar developments suggested the quoted build cost reflected a realistic estimate.

There was concern that the increased build cost meant that the purchase price of the land represented less value for money, and that there could be further increases in build cost.

Members recognised that the project would help deliver additional housing which was supported, however it was not felt that this should be delivered at any cost particularly when the level of rental income was considered alongside the large capital cost to the Council to progress the project.

Alternative procurement options were discussed. These included a two stage tendering process using Southern Contractors framework, or a single stage design and build OJEU tendering process. Pursuing alternative methods could add up to 7 months to the delivery timescales and would not guarantee a reduction in construction costs.

In response to questions regarding the financial position of the Council's contractors it was noted that due diligence on all contractors had been requested and the Council pays after work had been done and not upfront.

The scheme proposed at the site had already been submitted for planning approval which meant that suggestions to amend the scheme would incur additional costs, such as increased borrowing costs and delays

Councillor Gibbs summarised the discussion by highlighting that Members were unhappy with the difference in the build cost, and wanted to know why there was such a large increase in costs. The overall cost per square metre should be reviewed. Members on balance felt that the scheme was worth pursuing, and recognised that planning approval had already been sought.

RESOLVED that the current position and the draft business case be noted.

31. GERRARDS CROSS STATION ROAD CAR PARK

During 2017 the Council submitted a planning application for the redevelopment of Gerrards Cross station road car park to increase car parking capacity to 450 spaces (an additional 328 spaces). The proposal consisted of a ground floor and 5.5 decks. The planning application was subsequently withdrawn to allow the Council to review the proposals in light of concerns regarding the aesthetics of the proposal.

Member's views were sought on how to proceed regarding future options for increasing car parking capacity in Gerrards Cross. Two parking studies had revealed that a minimum of 110 extra spaces, and up to 328 extra spaces, would be required by 2050. One option was to bring forward a smaller proposal for extending the station car park that was 1 to 1.5 floors lower than the previous scheme. This option could provide 220 extra spaces and would cost around £10.5M to develop. The

estimated annual return would be £500,000. This compared with the original scheme that would cost £11M, and would provide an annual return of £600,000.

It was felt that any new proposals needed to be respectful to the aesthetics of the area. The importance of ensuring that any proposals put forward should be financially viable and be supported by a robust business case was also highlighted.

RESOLVED that the verbal report be noted.

32. **CAPSWOOD 1 LETTINGS**

Members received an update on the lease of the Capswood 1 building. The first floor would be leased from 1 February 2018 and would provide savings to the Council of around £55,000 per annum.

Prior to Christmas 2017 the Council was also close to finding a tenant for the lease on the ground floor of Capswood 1, but unfortunately this interest did not materialise. This was currently being marketed by two property agents and Members would be kept updated on progress.

RESOLVED that the verbal report be noted.

The meeting terminated at 7.27 pm