

COUNCIL

TUESDAY, 23RD JANUARY 2018, 6.30 PM
COUNCIL CHAMBER, TOWN HALL, CHORLEY

I am now able to enclose, for consideration at the above meeting of the Council, the following reports that were unavailable when the agenda was published.

Agenda No Item

11 **MARKET WALK UPDATE**

(Pages 109 -
136)

To consider a report of the Director (Business, Development and Growth).
Please note Appendix A and D are confidential and will be considered in private session.
The replacement Appendix B will be considered in both public and private session.

14 **EXCLUSION OF THE PUBLIC AND PRESS**

To consider the exclusion of the press and public for the following items of business on the ground that it involves the likely disclosure of exempt information as defined in Paragraph 1 and 3 of Part 1 of Schedule 12A to the Local Government Act.

By Virtue of Paragraph 1: Information relating to any individual.

Condition:

Information is exempt to the extent that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Information is not exempt if it relates to proposed development for which the local planning authority may grant itself planning permission pursuant to Regulation 3 of the Town & Country Planning General Regulations 1992(a).

By Virtue of Paragraph 3: Information relating to the financial or business affairs of any particular person (including the authority holding that information)

Condition:

Information is not exempt if it is required to be registered under-

The Companies Act 1985

The Friendly Societies Act 1974

The Friendly Societies Act 1992

The Industrial and Provident Societies Acts 1965 to 1978

The Building Societies Act 1986 (recorded in the public file of any building society,

within the meaning of the Act)

The Charities Act 1993

Information is exempt to the extent that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Information is not exempt if it relates to proposed development for which the local planning authority may grant itself planning permission pursuant to Regulation 3 of the Town & Country Planning General Regulations 1992(a).

15 **CHORLEY COMMUNITY HOUSING (CCH) UPDATE)**

(Pages 137 -
142)

To consider the report of the Chief Executive.

GARY HALL
CHIEF EXECUTIVE

Electronic agendas sent to Members of the Council

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| Report of | Meeting | Date |
|--|--------------|-----------------|
| Chief Executive (Introduced by Executive Member for Economic Development and Public Service Reform) | Full Council | 23 January 2018 |

MARKET WALK UPDATE

PURPOSE OF REPORT

1. This report provides an update on the current status of the project, together with an overview of the main options available to the Council going forward.
2. The report outlines associated parking, public realm and enablement projects which are linked to the delivery of the options.

RECOMMENDATION(S)

3. That Council approves one of the options presented to be progressed with Eric Wright Construction under the current LRPP agreement.
4. That Council approves the required budget and associated works with the preferred option.
5. That where relevant, the Town Centre Masterplan be refreshed to reflect the implications of the preferred option.

EXECUTIVE SUMMARY OF REPORT

6. On 21 November 2017, the Council agreed to pause phase II delivery of the Market Walk Extension until the end of January 2018 to enable a more detailed analysis of the various options going forward to be presented to Council in January 2018.
7. The options moving forward are to consider:

| | |
|----------|--|
| Option 1 | Continue with extension at earliest opportunity in its existing design |
| Option 2 | Commission a partial redesign of the layout, based on the building footprint from the original design to increase flexibility in lettings and then continue to build at the earliest opportunity |
| Option 3 | Stop and reinstate the Flat Iron Car Park to a high quality permanent finish |
8. There are a number of potential associated projects linked to the delivery of Market Walk extension that are referenced in this report. Selection of a preferred option will also require a decision on these:
 - a. Parking solutions
 - b. Hollinshead Street car park extension
 - United Reformed Church relocation to Friday Street (north)
 - Bengal Street temporary location improvements

- c. Creation of a Civic Square
 - Demolition of Oak House/Royal Oak (to extend current temporary parking provision)
 - **[redacted]** (options being considered for the extension)
 - Public realm improvements to Market Street/High Street/Cleveland Street
- d. Relocation of Shopmobility service

| | | |
|--|-----|-----------|
| Confidential report Please bold as appropriate | Yes | No |
|--|-----|-----------|

CORPORATE PRIORITIES

9. This report relates to the following Strategic Objectives:

| | | | |
|--|--|---|---|
| Involving residents in improving their local area and equality of access for all | | A strong local economy | X |
| Clean, safe and healthy communities | | An ambitious council that does more to meet the needs of residents and the local area | X |

BACKGROUND

10. On 21 November 2017 the Council agreed to pause phase II delivery of the Market Walk Extension until the end of January. This was following Marks and Spencers announcement that they were reviewing their store opening programme and would not be in a position to sign the Agreement for Lease until this process was concluded.
11. Under the terms of the existing Council approval, due to the non-completion of agreement to lease by Marks and Spencers, Officers have no authority to commit to further works from the main contract. This means that the original programmed completion date of 14 September 2018 can no longer be met.
12. The Council approved an additional £54,200 expenditure (the performance against which is contained in paragraph 42 in this report) incurred in creating temporary parking, suspending the site and continuing professional fees until the end of January 2018, with a view to undertaking a more detailed analysis of the various options going forward. It was agreed that these would be presented back to full council in January 2018.
13. Since the announcement by Marks and Spencers on 8th November that they are reviewing all outstanding commitments to new developments, Officers have been instructed to deliver a number of actions to minimise the Council’s financial exposure on the scheme and mitigate against any short term negative impacts the construction work may have. As a result the following instructions were issued to Eric Wright Construction:
 - Complete the drainage and service diversion works.
 - To complete the final design works as already commissioned.
 - Cancel the order for piling and piling mat
 - To not confirm any orders that would commit the Council to further expenditure including structural steel and cladding system

- To move back the fixed hoarding line by 15.11.17 to make existing hard standing available for 24 public parking spaces
- To lay an area of temporary tarmac surface to create c.30 car parking spaces to be available for public use by the afternoon of 18.11.17
- To lay an area of temporary tarmac surface to create an additional c.30 car parking spaces to be available for public use by the afternoon of 25.11.17
- To lay an area of temporary tarmac surface to create an additional c.30 car parking spaces to be available for public use by the afternoon of 02.12.17
- To further condense the area of the site to the minimum required to enable delivery of remaining scheduled works.

CURRENT POSITION

14. That Council agreed to pause and suspend non-essential operations on the site until the end of January 2018 with a more detailed analysis of the various options going forward being presented to Council in January 2018. The site is currently running a skeleton staff to manage outstanding works until a further decision on the future is taken by Council on 23 January 2018. Work is ongoing to deliver the drainage and service diversions. Since suspension of Phase II, **[redacted]** have made an alternative proposition to the council with a different floor space and financial implications. This is factored into this report and specifically option 2.

CURRENT LETTINGS POSITION

15. **[redacted]** have confirmed that they are in a position to progress the Agreement for Lease if the scheme can be altered to accommodate 12,500 sq ft only on ground floor based on the terms as shown in **[Appendix A redacted]**. This offer removes the requirement for a Christmas 2018 opening.
16. Reel has been informed of the current situation and Officers have met with Reel representatives who have confirmed their ongoing commitment to the scheme.
17. Heads of Terms are agreed with **[redacted]** and they have instructed their solicitors.
18. **[redacted]** has responded positively to a potential relocation to the upper floor of the extension (with a small ground floor presence) and their requirements have been accommodated in the detailed design works. At the time of writing the report, fit out costs are awaited, in order for commercial negotiations to commence. The **[redacted]** configuration lends itself for letting to other parties.
19. Preliminary terms have been agreed with **[redacted]** and are ready to be progressed to formal agreement pending council decision.

ASSOCIATED WORKS - PARKING

20. The major concern for existing businesses within the town centre has been the impact of lost parking spaces in close proximity to the retail core due to phase 2 works. With the current temporary parking provision created on the Flat Iron, when works were suspended, we are at a point of providing the equivalent capacity across the town centre prior to works commencing. Please see Appendix B
21. The original scheme provided replacement parking provision by relocating the URC and further expanding Hollinshead Street. Together with the creation of a new multifunctional

Civic Square / car park, these two solutions provided provision close to that lost to the development. Both solutions require agreement with 3rd parties i.e. URC and Gala Bingo. Both solutions also require the council to make financial contributions to the provision alternate premises for both parties. Whilst progress has been made with both parties, negotiations are not concluded and on the critical path for delivery of the Market Walk extension and ranked as high risk to the project.

22. Officers have been reviewing alternative parking solutions in light of this, also taking into account risk and deliverability, to see if sufficient replacement parking provision can be put in place prior to the extension works commencing. This requires the identification of an existing council owned car park that can generate additional capacity through the provision of one deck.
23. This exercise has identified a decked parking solution on Portland Street/ Friday Street that could provide sufficient replacement parking provision (see Appendix B) and could be potentially delivered in 4-6 months.
24. Eric Wright have tendered the works and **[redacted]**, have returned the best value with a semi-permanent solution. Their high level design and cost exercise demonstrates that an additional deck will provide around 149 extra spaces for a budget cost of £1.75m.
25. There is the opportunity to minimise the impact of the loss of spaces to the development by putting the decked parking solution in place prior to works recommencing on the extension. This would obviously have to be factored in to the programmes listed in the attached Options Appraisal (Appendix C).
26. This solution would not necessitate additional budget for crossing facilities as provision of a super-crossing across Clifford Street is included within the S278 works for the development. The solution would however, significantly benefit from making public realm improvements to Brunswick Street connecting Portland Street to Friday Street through the railway underpass.
27. If the decked parking solution is selected it removes the requirement for progressing the United Reformed Church land swap and relocation requirement. Hollinshead Street car park could continue to be shared with the URC or the previous arrangements be reinstated at the end of the lease agreement.
28. A decked parking solution would mean that the car parking spaces provided by the Civic Square are no longer required to maintain parking provision at its current level should the extension progress, which further de-risks this issue.
29. Delivery of the Civic Square could be progressed as a future phase subject to sufficient funding being in place.
30. Officers have also considered council owned land at Arley Street as a site that could contribute to parking provision through the creation of staff parking. It is estimated that this could cost up to £70k to create a further 40 spaces if Members choose to progress with site enhancement works.
31. Oak House demolition has received planning consent and a demolition contractor is being procured. Once demolished it will expand the existing Cleveland Street car park from 19 spaces to 47 and be employed as a short stay enforced car park. A budget of £476k is required to complete these works already contained within the budget.
32. Appendix B shows the level of parking provision at various times during the construction period. It takes into account the cumulative impact of current measures such as the URC,

High Street and Mealhouse Lane, the future impact of the demolition of Oak House and assumes the introduction of a decked parking solution prior to the Market Walk extension commencing. It does not include the potential further uplift in parking provision upon the completion of the Civic Square. The table below summarises the information contained at Appendix B.

| Construction Phase | Net gain/loss of spaces compared to original Flat Iron configuration |
|----------------------------------|---|
| Current Position | -1 |
| During Construction of Extension | +55 |
| Extension Complete | +103 |

ASSOCIATED WORKS – PUBLIC REALM

33. The previous approval for public realm improvements was related to the creation of the Civic Square. As referenced above, this will not be required to provide sufficient car parking spaces in the Town. The Civic Square will be progressed as a future phase subject to sufficient funding being in place.
34. The public realm improvements around the Market Walk extension are included within the development costs and include S278 works to Union Street and a super-crossing on Clifford Street.
35. If a decked parking solution is progressed on Friday Street members may wish to consider allocating a budget for public realm improvements along Brunswick Street connecting the development to Friday Street through the railway underpass. It is estimated that a budget of £200k would be required for enhancements which would include working with Network Rail to improve the appearance of their bridge/fencing. A provision of £200K has been built into the model.

ASSOCIATED WORKS – SHOPMOBILITY

36. The previous approval for enabling works included the relocation of Shopmobility to Byron Street as part of the URC / Hollinshead Street car park expansion.
37. Due to programming pressures, a temporary solution to relocate their existing facilities in to Market Walk service yard 2 was undertaken until such time as the URC / Hollinshead Street works were completed.
38. The committee for Shopmobility has since requested that their current position becomes a permanent location post-development instead of any previously proposed move. This would free up the majority of the remaining budget to be invested elsewhere with only minor works required to enhance their frontage and final service connections upon the completion of the development. This is reflected in the financial model presented in this report.

PROJECT PHASING

39. The table below shows an indicative programme based on the creation of a decked car park solution prior to construction work commencing on site for the Market Walk extension.

| Market Walk Extension Phasing | 2018 | | | | | | | | | | | | 2019 | | | | | | | | | | | |
|---|------|---|---|---|---|---|---|---|---|---|---|---|------|---|---|---|---|---|---|---|---|---|---|---|
| | J | F | M | A | M | J | J | A | S | O | N | D | J | F | M | A | M | J | J | A | S | O | N | D |
| 1 Council Decision | ■ | | | | | | | | | | | | | | | | | | | | | | | |
| 2 Procurement of a decked parking contractor and detailed design | | ■ | | | | | | | | | | | | | | | | | | | | | | |
| 3 Planning consent for decked parking – network rail considerations | | | ■ | ■ | | | | | | | | | | | | | | | | | | | | |
| 4 Re-mobilisation of Design Team to progress design | | ■ | ■ | ■ | | | | | | | | | | | | | | | | | | | | |
| 5 Re-engage with tenants to progress suspended AfL's | | ■ | ■ | ■ | | | | | | | | | | | | | | | | | | | | |
| 6 Engage with LCC over Brunswick St S278 | | ■ | ■ | | | | | | | | | | | | | | | | | | | | | |
| 7 Demolition of Oak House / Extended Cleveland St car park | | ■ | ■ | ■ | ■ | | | | | | | | | | | | | | | | | | | |
| 8 Works to Arley St (Apex House) | | ■ | ■ | ■ | | | | | | | | | | | | | | | | | | | | |
| 9 Market the remaining units | | | | | | | | | | | | | | | | | | | | | | | | |
| 10 Commence S278 works – Clifford St crossing | | | | | | | | | | | | | | | | | | | | | | | | |
| 11 Erection of Decked car park on Friday Street | | | | | | | | | | | | | | | | | | | | | | | | |
| 12 Commence S278 works – Brunswick Street | | | | | | | | | | | | | | | | | | | | | | | | |
| 13 Commencement of phase 2 construction | | | | | | | | | | | | | | | | | | | | | | | | |
| 14 Chorley Pals improvements for centenary 11/11/18 | | | | | | | | | | | | | | | | | | | | | | | | |
| 15 Commence S278 works – Union St | | | | | | | | | | | | | | | | | | | | | | | | |
| 16 Finish development public realm works | | | | | | | | | | | | | | | | | | | | | | | | |
| CHRISTMAS TRADING PERIOD | | | | | | | | | | | | | | | | | | | | | | | | |
| PARKING | | | | | | | | | | | | | | | | | | | | | | | | |
| PHASE 2 | | | | | | | | | | | | | | | | | | | | | | | | |
| HIGHWAYS / PUBLIC REALM | | | | | | | | | | | | | | | | | | | | | | | | |

FINANCIAL APPROVALS TO DATE

40. On 25 July 2017 a report to Full Council asked members to note an updated budget of up to £16.351m (excluding VAT) as detailed in table 1 below.

41. **Table 1 Budget Approved in July 2017**

| | Approved Budget |
|---|-------------------|
| Development and associated public realm | 10,735,510 |
| Additional tenant enhancements | 63,000 |
| Contingency | 250,000 |
| Total Development Budget | 11,048,510 |
| Hollinshead Car Park | 716,552 |
| United Reformed Church - Contribution | 750,000 |
| Enabling costs | 1,557,394 |
| Civic Square | 2,278,582 |
| Total Approved Budget | 16,351,038 |

42. Out of the overall approval in Table 1, approval was given to commit funds against pre-construction service agreement (PCSA) to undertake the initial phases of work. These approvals totalled £2,735,226. The work done to date has been drawn down from the development budget and is therefore absorbed in to the estimated costs provided by Eric Wright, as detailed the Costs section in Table Two below
43. The actual spend under the PCSA is forecast to be £2,791,496. A variance of £56,270 can be attributed to the temporary car park works and variations on the associated projects.

OPTIONS ANALYSIS

44. The options moving forward are to consider:
- Option 1 Continue with extension at earliest opportunity in its existing design
 - Option 2 Commission a redesign of the layout to accommodate more/ different end-users and then continue to build at the earliest opportunity
 - Option 3 Stop and reinstate the Flat Iron Car Park to a high quality permanent finish
45. The Pick Everard report identifies the pros/cons of each scenario (see Appendix C)

COSTS

46. The revised budget estimate for delivering the options range from £4.6 m to £12.3m (of which £2.8m has already been spent on the enablement phase and suspension costs) although this cost will be firmed up in a revised stage 4 submission once the design team are re-engaged and tenders can be re-affirmed / changed where appropriate.
47. **Table 2 – Cost of development and public realm within in the ‘red line’ plan**

| | Option 1 | Option 2 | Option 3 |
|---|-------------------------------|-------------------|---------------------------|
| | Continue with existing design | Partial redesign | Stop & Reinstate Car Park |
| PCSA - Expenditure to Date | 2,791,496 | 2,791,496 | 2,791,496 |
| Additional Costs to original cost plan | 7,944,014 | 7,944,014 | 1,472,674 |
| Cost of Development at July 2017 | 10,735,510 | 10,735,510 | 4,264,170 |
| Inflationary Increases | 268,388 | 268,388 | 0 |
| Further Enhancements and Additional Works | 587,518 | 561,268 | 157,243 |
| Additional Costs | 215,965 | 215,965 | 215,965 |
| Further Enhancements | 75,000 | 206,408 | 0 |
| Other Fees | 0 | 322,373 | 0 |
| Revised Development Cost | 11,882,381 | 12,309,911 | 4,637,377 |

48. A detailed breakdown of the cost changes is provided in **[Appendix D redacted]**.
49. The costs detailed in Table 2 above relate solely to the cost of the development and associated public realm work within the ‘red line’ plan (see Appendix E) of the development. Please note that some of these costs are provisional, dependent on the final configuration. The costs to continue the project, with associated parking and enabling costs for the three options are detailed in Table 3 below. There are a number of reconfiguration options. For the purposes of this exercise Option 2 assumes that we incorporate **[redacted]** new requirements. The most expensive reconfiguration (without **[redacted]**) would add another £300K to the costs shown in Table 2).

50. **Table 3 – Cost of continuing with associated parking and enabling costs**

| | Option 1 | Option 2 | Option 3 |
|--|-------------------------------|-------------------|---------------------------|
| | Continue with existing design | Partial redesign | Stop & Reinstate Car Park |
| Revised Development Cost | 11,882,380 | 12,309,911 | 4,637,377 |
| Parking options | 2,297,719 | 2,297,719 | 0 |
| Enabling costs | 1,545,253 | 1,557,013 | 1,208,613 |
| Additional Public Realm - Brunswick Street | 200,000 | 200,000 | 0 |
| Total Cost of Project | 15,925,352 | 16,364,643 | 5,845,990 |
| Budget Approved by Council in July 2017 | 16,351,038 | 16,351,038 | 16,351,038 |

51. The parking options include a decked car park, utilising the Oak House site and staff parking on Arley Street. The breakdown of costs is detailed in Table 4 below. Commitment to the parking option would also include public realm work to Brunswick Street at an estimated cost of £200,000.

52. **Table 4 – Parking Options**

| Parking Options | Costs |
|---------------------------|------------------|
| Oak House | 476,161 |
| Decked Parking | 1,751,558 |
| Arley Street (Apex House) | 70,000 |
| | 2,297,719 |

53. The cost model shows that the revised project costs can be broadly contained within the original budget approval, albeit this is reliant on deferring the Civic Square to a later date and using the budget provision to fund the parking options and additional development costs.

54. A summary of the changes of the budget requirement is detailed in Table 5 below:

55. **Table 5: Reconciliation of the changes to the required budget**

| | Option 1 | Option 2 | Option 3 |
|--|-------------------------------|-------------------|---------------------------|
| | Continue with existing design | Partial redesign | Stop & Reinstate Car Park |
| Budget Approved by Council in July 2017 | 16,351,038 | 16,351,038 | 16,351,038 |
| Less | | | |
| Civic Square | (2,278,582) | (2,278,582) | (2,278,582) |
| Contingency and M&S specifications | (213,000) | (213,000) | (313,000) |
| Other Minor Changes | (2,925) | (2,925) | (2,925) |
| Plus | | | |
| Development Cost increases/decreases | 1,146,870 | 1,574,402 | (6,098,133) |
| Parking Provision | 831,166 | 831,166 | (1,466,552) |
| Increase in Fees (PM, QS & Architect) | 170,784 | 182,544 | 16,344 |
| Reduction in enabling costs | (280,000) | (280,000) | (362,200) |
| Additional Public Realm - Brunswick Street | 200,000 | 200,000 | |
| | 15,925,351 | 16,364,643 | 5,845,990 |

FINANCIAL IMPLICATIONS - FINANCING

56. The annual borrowing cost for the development is dependent on the level of overage that the council wishes to commit to the project. Two models have been produced based on the level of risk the council wishes to take. The second option, which reduces borrowing costs, relies on committing funds which have not yet been agreed by developers.
57. Table 6 and 7 Seven below illustrate the annual cost of borrowing for all three options. All subsequent income analysis assumes the higher cost of borrowing.

58. Table 6: Financing of the three options, low overage, high borrowing

| | Option 1 | Option 2 | Option 3 |
|---------------------------------|-------------------------------|-------------------|---------------------------|
| | Continue with existing design | Partial redesign | Stop & Reinstate Car Park |
| Borrowing | 6,645,844 | £7,073,375 | 1,724,585 |
| Overage | 2,912,792 | 2,912,792 | 2,912,792 |
| Developer Contributions | 2,323,744 | 2,323,744 | |
| Total Financing | 11,882,380 | 12,309,911 | 4,637,377 |
| Annual Cost of Borrowing | 261,700 | 277,100 | 83,580 |

59. Table 7: Financing of the three options, high overage, low borrowing

| | Option 1 | Option 2 | Option 3 |
|---------------------------------|-------------------------------|-------------------|---------------------------|
| | Continue with existing design | Partial redesign | Stop & Reinstate Car Park |
| Borrowing | 4,358,636 | 4,786,167 | 0 |
| Overage | 5,200,000 | 5,200,000 | 4,637,377 |
| Developer Contributions | 2,323,744 | 2,323,744 | 0 |
| Total Financing | 11,882,380 | 12,309,911 | 4,637,377 |
| Annual Cost of Borrowing | 179,000 | 194,500 | 0 |

60. The net distributable income achieved by the extension factors in both the borrowing cost and rental income. The rental income for option two, the partial redesign, has two possible further options, dependent on the chosen configuration of units. The detail for individual units is shown in **[Appendix A redacted]**.
61. The estimated net distributable income on a fully let scheme is shown in table eight below. A typical rental value per square foot has been included for currently vacant units. The value of incentives available has been capped at the level reported in July 2017.

62. **Table Eight – Net distributable income assuming full occupancy**

| Fully Occupied | Option 1 | Option 2 - B1/2 | Option 2 - B4 | Option 3 |
|---|-------------------|-------------------|-------------------|------------------|
| Total Cost of Development | 11,882,380 | 12,309,911 | 12,309,911 | 4,637,377 |
| Annual Cost of Borrowing | 261,700 | 277,100 | 277,100 | 83,580 |
| Gross Rental Income | (847,980) | (845,114) | (859,125) | 0 |
| Cost of Incentives | 229,289 | 225,641 | 227,813 | 0 |
| Net Distributable Income (Surplus)/Deficit | (356,691) | (342,373) | (354,212) | 83,580 |

63. With current agreed and interested lettings, i.e. Reel, **[redacted]** the value of Net Distributable Income is as shown in Table Nine. The assumption has been made that due to their new unit size requirements **[redacted]** would be unlikely to sign up if the decision was made to continue building with the current configuration. If **[redacted]** were not to sign up, but the other three did, the effect on Net Distributable Income is shown in Table Ten.

64. **Table Nine - Net distributable income with current interested tenants**

| Current Agreed/Interested Lettings | Option 1 | Option 2 | Option 3 |
|---|-------------------|-------------------|------------------|
| Total Cost of Development | 11,882,380 | 12,309,911 | 4,637,377 |
| Annual Cost of Borrowing | 261,700 | 277,100 | 83,580 |
| Gross Rental Income | (321,900) | (491,900) | 0 |
| Cost of Incentives | 92,952 | 141,783 | 0 |
| Net Distributable Income (Surplus)/Deficit | 32,752 | (73,017) | 83,580 |

Table Ten - Net distributable income with current interested tenants excluding **[redacted]**

| Current Agreed/Interested Lettings excluding [redacted] | Option 1 | Option 2 | Option 3 |
|--|-------------------|-------------------|------------------|
| Total Cost of Development | 11,882,380 | 12,309,911 | 4,637,377 |
| Annual Cost of Borrowing | 261,700 | 277,100 | 83,580 |
| Gross Rental Income | (321,900) | (321,900) | 0 |
| Cost of Incentives | 92,952 | 92,952 | 0 |
| Net Distributable Income (Surplus)/Deficit | 32,752 | 48,152 | 83,580 |

65. As the models show, the scheme could make a surplus if all current interested parties sign up. If **[redacted]** did not proceed the scheme makes a deficit, there is potential to review the financing to reduce borrowing to bring down the deficit.

66. There is a further option available under Option 2 to reconfigure the layout to a mall style layout. There would be an additional build estimated at £12.589m; an additional £279k to the current Option 2 layout. The cost of additional borrowing would depend on the loan terms but as a guide would add an extra £10k-£15k per annum to costs. It should be noted, however, that this option would reduce lettable floor space by approximately 7000 sq ft which would reduce income between £30-70k per annum.

67. The net distributable income figures shown here only include the cost of the development itself (the 'red-line' plan). Dependent on the chosen financing the parking options required in the town centre would attract a borrowing cost, as detailed in Table Eleven below, which could be met from any surplus achieved from the rental income:

68. **Table Eleven**

| | Option 1 | Option 2 | Option 3 |
|--------------------------------------|-------------------------------|------------------|-----------------------------|
| | Continue with existing design | Partial redesign | Stop & Reinststate Car Park |
| Cost of parking solution | 2,297,719 | 2,297,719 | 0 |
| Funding agreed for Oak House parking | (585,850) | (585,850) | 0 |
| Borrowing Amount | 1,771,869 | 1,771,869 | 0 |
| Annual Cost of Borrowing (50 years) | 61,860 | 61,860 | 0 |

69. The decision to proceed with a decked parking option would require additional public realm to Brunswick Street at an estimated cost of £200,000.

70. The scheme will also attract additional income through the retained business rate scheme. It is not possible to quantify the exact amount as the rateable value is dependent on a number of factors. The government has committed to 75% retention by 2020/21 but the details of how the scheme will operate and how sums will be distributed between bodies are still unknown.

71. The valuation office provided an estimate of rateable values on the original scheme, which under current regulations provided around £117k per annum in retained rates.

IMPLICATIONS OF REPORT

72. This report has implications in the following areas and the relevant Directors' comments are included:

| | | | |
|--|---|--|--|
| Finance | X | Customer Services | |
| Human Resources | | Equality and Diversity | |
| Legal | X | Integrated Impact Assessment required? | |
| No significant implications in this area | | Policy and Communications | |

COMMENTS OF THE STATUTORY FINANCE OFFICER

73. The report considers the impact of building the development, with associated public realm works that fall within the 'red line' plans.

74. Overall, delivery of the main build will cost more than reported in July 2017. This can be attributed in part to the effect of inflation and in part because of increased scope and tenant enhancements. The specific details of increases to the build cost are listed in **[Appendix D redacted]**.

75. Outside of the main 'red-line' build other costs have changed as summarised in Table 5 in the main body of the report with detail in the table below. The cost changes demonstrate how the initial project has evolved and where capacity needs to change to allow the scheme to proceed.

76. Changes to Cost Schedule Against Budget Approval

| | Option 1 | Option 2 | Option 3 |
|--|-------------------------------|--------------------|---------------------------|
| | Continue with existing design | Partial redesign | Stop & Reinstate Car Park |
| Budget Approved by Council in July 2017 | 16,351,038 | 16,351,038 | 16,351,038 |
| Cost Decreases | | | |
| Development Cost (detail in <i>[Appendix D redacted]</i>) | | | (6,098,133) |
| Works to Hollinshead Street And URC car park | (716,552) | (716,552) | (716,552) |
| Contribution to United Reformed Church | (750,000) | (750,000) | (750,000) |
| Contingency | (150,000) | (150,000) | (250,000) |
| Cost of canopy already included in main build | (63,000) | (63,000) | (63,000) |
| Other Minor Changes | (2,925) | (2,925) | (2,925) |
| Reduction in enabling costs - Shopmobility | (130,000) | (130,000) | (130,000) |
| Reduction in enabling costs - Temporary relocation of URC | (150,000) | (150,000) | (150,000) |
| Hoarding | 0 | 0 | (32,200) |
| Illuminated Signage | 0 | 0 | (50,000) |
| Total Cost Decreases | (1,962,477) | (1,962,477) | (8,242,810) |
| Cost Increases | | | |
| Development Cost (detail in <i>[Appendix D redacted]</i>) | 1,146,870 | 1,574,402 | 0 |
| Additional Public Realm - Brunswick Street | 200,000 | 200,000 | 0 |
| Parking Provision - Decked Car Park | 1,751,558 | 1,751,558 | 0 |
| Parking Provision - Oak House | 476,161 | 476,161 | 0 |
| Parking Provision - Arley Street | 70,000 | 70,000 | 0 |
| Increase in Fees (PM, QS & Architect) | 170,784 | 182,544 | 16,344 |
| Total Cost Increases | 3,815,373 | 4,254,665 | 16,344 |
| Change in costs | 1,852,896 | 2,292,188 | (8,226,466) |
| Total cost to deliver project | 18,203,934 | 18,643,226 | 8,124,572 |
| Less Civic Square | (2,278,582) | (2,278,582) | (2,278,582) |
| Total Project Cost per Table 5 | 15,925,352 | 16,364,644 | 5,845,990 |
| Variance from Original Approval | (425,686) | 13,606 | (10,505,048) |

77. Both options that continue with the development can broadly still be delivered within the capital project budget approved in July 2017. However, this is with the understanding that the deliverability of the development is not reliant on the public realm work to deliver the Civic Square and resultant parking and as such those works can be deferred to a later date.
78. The cost of option three to stop the development and reinstate the Flat Iron car park is the cheapest of the three options in terms of capital expenditure, however, it does not provide a financial return and any cost of borrowing to complete the works would have to be met from existing resources as there will be no income generation to offset it.
79. There is also a risk that there could be a requirement for some of the costs of the reinstated car park to be charged to the General Fund.
80. The report focuses on the cost to deliver the development and the financial return that it could generate. In terms of net distributable income there are two main factors, cost of borrowing and rental income.
81. The cost of borrowing is very important and the use of existing resources can be used to minimise the borrowing and therefore the ongoing cost to the council. Members will need to consider what level of existing resources they are willing to commit to the scheme, in particular the amount of overage that should be applied. The financial modelling has been

carried out on the basis that £2.3 million overage will be used to fund the scheme. However, there is around £5.2 million that could be available if agreed by developers.

- 82. The rental income that the three configurations could potentially generate is fairly similar; the impact of vacant units therefore becomes important as larger vacant units have a bigger impact on the ability to generate an income.
- 83. If all the interested parties sign up to the scheme, i.e. Reel, **[redacted]** then the development should yield a surplus even if all other units remain vacant. However, if **[redacted]** were not to sign up there would be a deficit position. This could be managed to some extent by reducing the borrowing costs, for example by increasing the amount of overage funding the development. The indicative programme shows completion of the development in late summer 2019. This period provides an opportunity to secure further lettings which further reduces the revenue risk.
- 84. The net distributable income stated within this report looks solely at the development. If the development proceeds there will be additional costs to deliver a town centre parking solution. There is around £586k identified for parking at Oak House from the reverse premium and if the remainder were to be funded through borrowing there would be a further cost of around £62k per annum. The costs can be met from the net distributable income generated across all options where additional parking is required. Again, with current interest in the scheme the cost of parking provision can be met but would reduce the surplus.
- 85. Overall the key financial considerations are; the increased cost of delivery of the build that can be broadly met within the agreed cost envelope as the Civic Square development would no longer be required at this stage to deliver parking capacity. In terms of the overall funding of the scheme members will still have the opportunity to allocate additional funding from the overage should they wish to mitigate financial risk further. It should also be noted that the all cost appraisals are estimated and we will not know the final costs until a further tendering exercise is undertaken. In addition allowances have been made for future lease negotiations but again we may need to vary these in any final agreements. However, any negotiations can only be agreed within the cost envelope agreed by Council and should any of these exceed the amounts agreed then Council will be asked to consider any such requests.

COMMENTS OF THE MONITORING OFFICER

- 86. All the options cited are legally permissible to adopt by the Council. No further decision on the procurement route is required as this has been settled previously. The risk / benefit relating to the scheme options are clearly set out both in the body of this report and within Appendix C, it is noted though that the significant risk areas are financial. There is sufficient information contained within this report and the associated background papers for Council to make a decision on this matter.

GARY HALL
CHIEF EXECUTIVE

| Background Papers | | | |
|---|--------------|-------------|----------------------------|
| Document | Date | File | Place of Inspection |
| Market Walk Extension – Award of Contract | 25 July 2017 | *** | [redacted] |

| | | | |
|--|------------------|-----|---|
| Urgent Commissioning Works: Market Walk | 30 August 2017 | *** | [redacted] |
| Urgent Commissioning Works: Market Walk | 11 October 2017 | *** | [redacted] |
| Market Walk Update | 21 November 2017 | *** | https://democracy.chorley.gov.uk/documents/s80660/Market%20Walk%20Rpt.pdf |

| Report Author | Ext | Date | Doc ID |
|----------------------|------------|-----------------|---------------|
| Mark Lester | 5571 | 12 January 2018 | *** |

APPENDIX B

| Flat Iron Pre-works | | Gain/Loss | During Construction | | Gain/Loss | Extension Completion | | Gain/Loss |
|----------------------------------|------------|-----------|------------------------------|------------|------------|------------------------------|------------|------------|
| West Side | 144 | | | | | | | |
| East Side | 227 | | | | | | | |
| | 371 | | | | | | | |
| Current Position | | | | | | | | |
| West Side | 140 | | West Side | 136 | | West Side | 140 | |
| East Side (Temporary) | 117 | | East Side | 0 | | East Side | 44 | |
| | <u>257</u> | | | <u>136</u> | | (-3 trolley bays) | <u>184</u> | |
| Hollinshead St | 44 | | Hollinshead St | 44 | | Hollinshead St | 44 | |
| URC | 25 | | URC | 25 | | URC | 25 | |
| | <u>69</u> | | | <u>69</u> | | | <u>69</u> | |
| High Street | 19 | | High Street (inc Oak House) | 47 | | High Street (inc Oak House) | 47 | |
| Mealhouse Lane | 25 | | Mealhouse Lane | 25 | | Mealhouse Lane | 25 | |
| | <u>44</u> | | | <u>72</u> | | | <u>72</u> | |
| | | shortfall | | | shortfall | | | shortfall |
| FLAT IRON REPLACEMENT | 370 | -1 | FLAT IRON REPLACEMENT | 277 | -94 | FLAT IRON REPLACEMENT | 325 | -46 |
| Portland Street | 101 | | Portland Street | 101 | | Portland Street | 101 | |
| Friday Street North | 61 | | Friday Street North | 0 | | Friday Street North | 0 | |
| Decked Parking - Sidepark | | | | | | | | |
| Friday Street South | 159 | | Friday Street Ground | 183 | | Friday Street Ground | 183 | |
| | <u>321</u> | | Friday Street 1st Deck | 186 | | Friday Street 1st Deck | 186 | |
| | | | | <u>470</u> | 149 | | <u>470</u> | 149 |
| TOTAL AVAILABLE | 691 | -1 | TOTAL AVAILABLE | 747 | 55 | TOTAL AVAILABLE | 795 | 103 |

SINGLE DECK ON FRIDAY STREET FULL SITE

PERMANENT SOLUTION

149 £ 1,750,000.00
 cost/space £ 11,744.97

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PICK EVERARD



Appendix C - Options Appraisal

for

Market Walk Extension



Issue - Number 1.1

15th January 2018

Document History

| Issue | Date | Comment | Author | Chk'd |
|-------|----------|-------------------------------|--------|-------|
| 1.1 | 15.01.18 | Final draft Options Appraisal | PDE | PDE |



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1.0 Purpose of this report

The Market Walk Extension is a key part of the Council masterplan for Chorley town centre.

Pick Everard issued an instruction on behalf of the Council to the Eric Wright Group Limited (EWC) on 09.11.17 to suspend further enabling works ahead of commencing phase 2 on the Market Walk Extension.

EWC services were procured under the LRPP using a Pre-construction Services Agreement (PCSA).

Following a Full Council meeting held on 21.11.17, the Council instructed Pick Everard and EWC to prepare an Options Appraisal for further consideration on 23.01.18.

This appraisal considers the options currently available to the Council on the Market Walk Extension given that Marks and Spencer failed to sign their agreement for lease, on which EWC has designed and procured an RIBA stage 5 design.

This report will consider the key options available on the Market Walk Extension to the Council as follows:

- Option 1: continue with the Market Walk Extension (*as designed and procured under the PCSA*);
- Option 2: progress an alternative Market Walk Extension that is more flexible; and
- Option 3: Stop and reinstate the Flat Iron Car Park.

The Full Council on 23.01.18 are to decide how they wish to proceed.

This report should be read in the context of the covering report prepared by the Council, to which this Options Appraisal is appended.

Options Appraisal

2.0 Option 1: continue with the Market Walk Extension

The Council could decide to continue with the original vision for the Market Walk Extension as currently designed and procured by EWC under the PCSA based on a reduced pre-let of 27.1% of the total floor area.

*Note: this option is subject to the Council decision on the car park solution as detailed in the covering Council report.

2.1 Design status

The RIBA stage 5 design is virtually complete and awaiting instruction from Full Council for EWC to remobilise, renegotiate work packages and subject to acceptance of a revised tender offer by the Council proceed to the construction phase.

2.2 Financial status

The tender offer submission received from EWC on 05.07.17 confirmed a cost to deliver the Market Walk Extension for the sum of £10,735,510 excluding VAT.

However, virtually all sub-contractors have now been stood down by EWC after the project was suspended in November 17 and 6 months has also elapsed since this tender offer was made.

Therefore, EWC are unable to stand by their original tender offer on 05.07.17.

EWC has confirmed the following total budget cost for option 1, subject to remobilising, renegotiation of work packages and contract in the sum of £11,882,381 excluding VAT.

The reason for the cost uplift from the original EWC tender is primarily due to the following:

- As part of the agreement for lease negotiations between the Council and [redacted], a number of changes to the tendered design were demanded. These changes were to align the base build design to the [redacted] tenant specification and were largely non-negotiable
- Further tenant enhancements & additional works
- Temporary works and committed costs included in the increased PCSA
- Inflation and construction cost increases for materials and labour

These changes have been incorporated into the completed RIBA stage 5 design.

This is not a formal tender offer and will be subject to change.

2.3 Estimated programme

The estimated programme for option 1 is set out below in table 1:

Table 1

| ID | Activity | Duration | Start | Finish |
|----|--|---------------------------------|----------|----------|
| 1 | Full Council decision on 23.01.18 | 1 day | 23.01.18 | 23.01.18 |
| 2 | Preconstruction period (renegotiate works packages, design & mobilisation) | 4 weeks | 29.01.18 | 23.02.18 |
| 3 | EWC mobilisation period | 4 weeks | 26.02.18 | 23.03.18 |
| 4 | Combined Phase 2 and Phase 3 to build the Market Walk Extension including the S278 works | 50 weeks (+ 2 wks Christmas 18) | 26.03.18 | 22.03.19 |
| 5 | REEL Cinema's fit out | 15 weeks (+10) | 15.02.19 | 31.05.19 |
| 6 | Defects Liability Period | 52 weeks | 22.03.19 | 22.03.20 |

2.4 Key risks

The key risks are as set out in table 2 below:

Table 2



| ID | Risk Description | RAG Rating | Mitigation Action / Comment | RAG Rating |
|----|--|------------|--|------------|
| 1 | Failure of Full Council to comply with the 48.4% pre-let agreed | | Amend 48.4% pre-let condition based on agreement for lease and continued commitment from REEL Cinema's Ltd (27.1%) | |
| 2 | Council unable to let vacant units as current configuration with potential failure to achieve total return on investment | | Actively market vacant units for retail, leisure and restaurant use with consideration to committed and recent further interest from [redacted] | |
| 3 | No current market interest in units 2 and 3 | | Continue to actively market units 2 and 3 | |
| 4 | Cost uplift from original EWC tender cost on 05.07.17 | | Least costly Market Walk Extension delivery option to continue and remobilise option 1 | |
| 5 | Programme slippage for delivery of the original Market Walk Extension project | | Delivery of the current RIBA stage 5 design for the Market Walk Extension is the shortest delivery option programme | |

2.5 Comparison of key advantages and disadvantages of this option

The primary advantages and disadvantages on option 1 are as table 3 below:

Table 3

| Option 1: continue with the Market Walk Extension | | | |
|---|--|---------------|--|
| Advantages | | Disadvantages | |
| 1 | Investment by Council demonstrates continued commitment to original vision set out in the masterplan | 1 | Failure to achieve total return on the Council investment |
| 2 | Maintains REEL Cinema's Ltd confidence in the MW Extension and Chorley town centre | 2 | If Council is unable to let vacant units then this will impact negatively on secured tenants |
| 3 | Minimises reputational damage to the Council having successfully delivered Market Walk Extension | 3 | Creates significant reputational damage to the Council if the Market Walk Extension is not viewed as a success |
| 4 | Least costly option to deliver original Market Walk Extension vision | 4 | Construction cost uplift from original EWC tender offer on 05.07.17 |
| 5 | Shortest delivery programme for the Market Walk Extension | 5 | Despite fresh interest from [redacted] , tenant interest still needs to be obtained for the remaining large units 2 and 3 |

3.0 Option 2: progress an alternative Market Walk Extension that is more flexible

The Council could decide to proceed with an alternative option to deliver a more flexible version of the Market Walk Extension that can react to market interest but still achieve the original vision set out by Full Council on 20.09.16.

The current RIBA stage 5 design could be amended to make the ground floor and part first floor (excluding REEL Cinema's Ltd (unit 6)) more flexible and able to accommodate different unit configurations by limiting changes to key structural elements and the facades.



The RIBA stage 5 design could be amended cognisant of the committed and long standing interest from REEL Cinema’s Ltd, together with the fresh market interest shown by [redacted].

*Note: this option is subject to the Council decision on the car park solution as detailed in the covering Council report.

3.1 Outline description

The completed RIBA stage 5 design could be amended by retaining the overall structural frame design and limiting change to the building footprint and external appearance of the Market Walk Extension.

3.2 Financial implications

The tender offer submission received from EWC on 05.07.17 confirmed a cost to deliver the MW Extension for the sum of £10,735,510 excluding VAT.

However, virtually all sub-contractors have now been stood down by EWC after the project was suspended in November 17 and 6 months has also elapsed since this tender offer was made.

Therefore, EWC are unable to stand by their original tender offer on 05.07.17.

EWC has confirmed the following total budget cost for option 2, subject to limited re-design of the stage 5 information, retendering of work packages and submission of a revised tender offer in the sum of £12,309,912 excluding VAT.

This budget cost is based on a feasibility layout that includes [redacted], but it is not a formal tender offer. This cost will therefore be subject to the flexible layout instructed by the Council.

3.3 Estimated programme

The estimated programme for option 2 is set out below in table 4:

Table 4

| ID | Activity | Duration | Start | Finish |
|----|--|---------------------------------|----------|----------|
| 1 | Full Council decision on 23.01.18 | 1 day | 23.01.18 | 23.01.18 |
| 2 | Preconstruction period (re-design, re-tender works packages and submit revised tender offer) | 12 weeks | 29.01.18 | 20.04.18 |
| 3 | EWC mobilisation period | 4 weeks | 23.04.18 | 18.05.18 |
| 4 | Combined Phase 2 and Phase 3 to build the Market Walk Extension including the S278 works | 50 weeks (+ 2 wks Christmas 18) | 21.05.18 | 17.05.19 |
| 5 | REEL Cinema’s fit out | 15 weeks (+10) | 15.04.19 | 26.07.17 |
| 6 | Defects Liability Period | 52 weeks | 17.05.19 | 17.05.20 |

3.4 Key risks

The key risks are as set out in table 5 below:



Table 5

| ID | Risk Description | RAG Rating | Mitigation Action / Comment | RAG Rating |
|----|--|------------|---|------------|
| 1 | Failure of Full Council to comply with 48.4% pre-let agreed | | Amend 48.4% pre-let condition based on agreement for lease and continued commitment from REEL Cinema's Ltd (27.1%) | |
| 2 | Council unable to let vacant units as current configuration with failure to achieve total return on investment | | Actively market vacant units for retail, leisure and restaurant use based on flexible layout with consideration to committed and recent further interest from [redacted] | |
| 3 | No flexibility in units 2 and 3 to change to meet market interest | | More flexible layout created at ground floor level and part first floor to enable various unit configurations to be created to suit market interest | |
| 4 | Cost uplift from original EWC tender cost on 05.07.17 | | Most costly Market Walk Extension delivery option | |
| 5 | Programme slippage for delivery of the original Market Walk Extension project | | Partial re-design required to Market Walk Extension but this will enable greater flexibility to suit market interest | |

3.5 Comparison of key advantages and disadvantages of this option

The primary advantages and disadvantages on option 2 are as table 6 below:

Table 6

| Option 1: continue with the Market Walk Extension | | | |
|---|--|---------------|--|
| Advantages | | Disadvantages | |
| 1 | Investment by Council demonstrates continued commitment to original vision set out in the masterplan | 1 | Failure to achieve total return on investment if insufficient units are let |
| 2 | Maintains REEL Cinema's Ltd confidence in the Market Walk Extension and Chorley town centre | 2 | Reduced risk compared to option 1 in that flexible units can be created to meet market interest and enquiries |
| 3 | Minimises reputational damage to the Council having successfully delivered Market Walk Extension | 3 | Reduced risk of reputational damage to the Council that Market Walk Extension is not viewed as a success |
| 4 | Comparative cost uplift secures more flexible layout | 4 | Construction cost uplift from original EWC tender offer 05.07.17 |
| 5 | This option creates greater flexibility for the ground floor and part first floor to enable alternative market interest to be sought | 5 | Longest programme period due to redesign, retendering of works packages and submission of revised tender offer |



4.0 Option 3: Stop and reinstate the Flat Iron Car Park

The Council could decide to stop the Market Walk Extension and to reinstate the Flat Iron Car Park.

This decision would impact negatively on the vision of the Council masterplan for the town centre.

*Note: this option is subject to the Council decision on the car park solution as detailed in the covering Council report.

4.1 Design status

The design delivered from phase 1 could be extended to the whole Flat Iron Car Park. EWC will need to procure a design, tender work packages and submit a tender offer to the Council. Subject to Council acceptance, EWC will then need to place material orders.

4.2 Financial implications

EWC has confirmed the following total budget cost, subject to undertaking design and market testing in the sum of £4,637,377 excluding VAT.

The cost of £4,637,377 includes the costs expended to date under the PCSA together with the additional £1,854,144 to reinstate the Flat Iron Car Park.

4.3 Estimated programme

The estimated programme for option 3 is set out below in table 7:

Table 7

| ID | Activity | Duration | Start | Finish |
|----|--|----------|----------|----------|
| 1 | Full Council decision on 23.01.18 | 1 day | 23.01.18 | 23.01.18 |
| 2 | Preconstruction period (design, re-tender works packages & submit tender offer) | 8 weeks | 29.01.18 | 23.03.18 |
| 3 | EWC mobilisation period | 4 weeks | 26.03.18 | 20.04.18 |
| 4 | Combined Phase 2 and Phase 3 to build the Market Walk Extension including the S278 works | 30 weeks | 23.04.18 | 16.11.18 |
| 5 | Defects Liability Period | 52 weeks | 16.11.18 | 16.11.19 |

4.4 Key risks

The key risks are as set out in table 8 below:

Table 8

| ID | Risk Description | RAG Rating | Mitigation Action / Comment | RAG Rating |
|----|--|------------|---|------------|
| 1 | £4.6m spend with no return on the financial investment | | Take the investment opportunity to build on the development platform established from phase 1 | |
| 2 | Severe damage to Council reputation for failure to | | Instigate communications strategy | |



| | | | | |
|---|--|--|---|--|
| | successfully deliver the Market Walk Extension | | | |
| 3 | Town centre masterplan put in jeopardy that negatively impacts on the future success of Chorley town centre | | Recommission new masterplan without Market Walk Extension | |
| 4 | Customers are attracted to competing towns with greater level of mixed leisure, retail and restaurant provision | | Recommission new masterplan looking to utilise existing Market Walk Shopping Centre to improve the mixed leisure, retail and restaurant provision | |
| 5 | The Council does not take the investment opportunity to build on the development platform established from phase I | | Continued disruption to the town centre to reinstate the Flat Iron Car Park with no tangible benefit or investment | |

4.5 Comparison of key advantages and disadvantages of this option

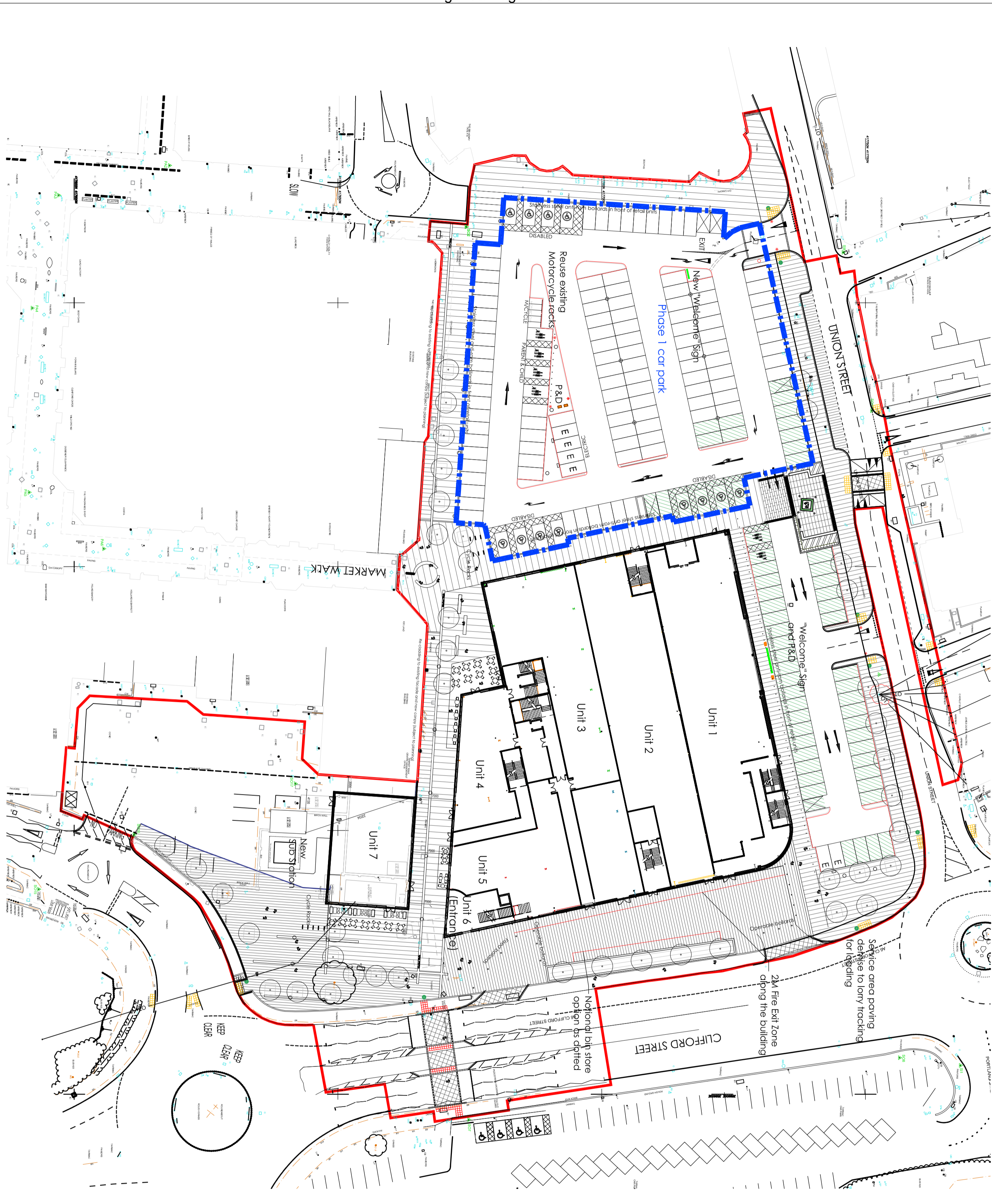
The primary advantages and disadvantages on Option 3 are as table 9 below:

Table 9

| Option 3: Stop and reinstate the Flat Iron Car Park | | | |
|---|---|---------------|---|
| Advantages | | Disadvantages | |
| 1 | Maintains status quo for overall car parking provision in the town centre | 1 | Significant financial spend of £4.6m without investment return |
| 2 | Least costly option | 2 | Ties up key development site which has already had significant investment to create future development platform |
| 3 | Risks associated with building the Market Walk Extension are reduced | 3 | Failure to achieve return on total Council investment |
| 4 | Disruption to town centre and local business trade reduced | 4 | Creates significant reputational damage to the Council |
| 5 | Maintains the status quo in Chorley town centre | 5 | Loss of generational opportunity to successfully deliver Council masterplan to ensure the future success for the town |

Supplementary notes

- 1) All potential costs are exclusive of VAT
- 2) EWC and the Council officers have contributed to this report
- 3) The costs quoted for options 1, 2 and 3 are based on the budget costs provided by EWC on 12.01.18 and have not been validated by Pick Everard. The budget costs are subject to change, noting the exclusions and limitations stated by EWC
- 4) Programme periods stated are informed estimates only by Pick Everard
- 5) Risks are to be developed and updated on Grace system dependent on the Full Council decision.



NOTES

- All dimensions and levels are to be checked on site.
- Any discrepancies are to be reported to the architect before any work commences.
- Work is to be carried out in accordance with any amendments made to the contract documents.
- This drawing shall not be reproduced without express written permission from AEW.
- The survey drawings and ownership boundaries are provided for information only. AEW does not warrant the accuracy of the survey data or the ownership boundaries shown on this plan. The client is responsible for ensuring that the correct data is supplied to them.

DESIGN HAZARD IDENTIFICATION

- No significant hazards have been identified in this drawing

Scale: 1:500 @ A2

- Legend**
- P&D (As Installed)
 - Electrical Charging Point (3No. Installed)
 - Welcome Signs (2No. Installed)
 - Trolley Boys (with canopy)
 - Stainless steel on-trom / operational bollards

Parking Legend

157 Standard parking (106+45 Unit 1)
 12 Disabled spaces (8+4 Unit 1)
 6 Parents & Child (4+2 Unit 1)
 4 Electrical Charging points
 Total 181 (124+57 Unit 1 (As installed green))

2 Trolley Boys Boths
 3 Trolley Boys Unit 1
 5 Motorcycle parking spaces
 26 Cycle parking spaces

Proposed Site Plan (Temporary Traffic Direction and Parking Spaces text to Phase 1)

scale: 01/04/16 drawn: TF
 scale: 1:500 checked: AL

Project: MARKET WALK
 Client: Chorley Council

PI 14/11/17 RB DRS
 Initial Issue:
 REV: Date Drawn By: Checked By:
 Status: Purpose of Issue
S4 For Information and Comment
 drawing stage: Construction

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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