



Hinckley & Bosworth  
Borough Council

*A Borough to be proud of*

## FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

Executive 21 December 2016

WARDS AFFECTED: Hinckley Castle

---

### FORMER CO-OP SITE - CASTLE STREET, HINCKLEY

---

#### Report of Chief Executive

#### 1. PURPOSE OF REPORT

- 1.1 To set out for Members' approval an outline brief to guide further work by officers in the drafting of a detailed development brief for use of the site for the future.

#### 2. RECOMMENDATIONS

- i) That Executive considers and approves an outline development brief for the former Co-op site, based on the proposals in this report (4.2), as the basis for a more detailed final Brief.
- ii) The site be marketed for re-use for retail and other complementary uses, in accordance with an agreed development brief for the site.
- iii) That any/all options for short-term occupancy/use by retail concessions be given positive consideration and decisions delegated to the two Executive Members and Director of Corporate Services.

#### 3. BACKGROUND TO THE REPORT

- 3.1 The former Co-op site in upper Castle Street was acquired on 14 October 2016, following the Council decision on 6 September, which supported the following recommendation - 'to approve purchasing the former Co-op site in order to secure the facility and the site, with further options being pursued after that time'.
- 3.2 The Co-op site is a key strategic site in a key part of the town centre. It was considered the most viable site in the short/medium term for the delivery of a much-needed town centre car park, due to its location being adjacent to Upper Castle Street and close to Stockwell Head (two of the three priority areas), its proximity to the leisure centre, its immediate availability and its potential for longer term development, once a level of usage has been established. It was also acknowledged as the most likely option to deliver a suitable public car park within the pre-Christmas timescales. This was not seen or considered as an alternative to the provision of a consolidated car

park on Stockwell Head, which is set out as a requirement in the Council's adopted Area Action Plan for the town centre.

- 3.3 The car park was reopened very swiftly after the site was acquired, thanks in part to the assistance of the Hinckley BID, who undertook the operation on behalf of the Council, pending the revision to the Car Parking Order. So far, the purchase has achieved its immediate objective, with the usage of the car park showing an increase week on week, since its purchase and opening. Current occupancy at the core time (11am to 2pm) is well over 50% and we anticipate annual income of around £70,000. Officers continue to explore the potential for short-term uses of the former Coop building, to retain a 'draw' to shoppers in the Upper Castle Street area, pending a longer term development.
- 3.4 The demand for car parking in the town has increased and we await the findings and recommendations for the longer term of the Car Parking Study, due to be reported early in 2017. Whilst this is very positive, as it reflects higher demand for town centre services and shops, it does mean that we need to at least retain the provision we have. This requirement will inform and be incorporated into the more detailed Development Brief for the site, once it is finalised.
- 3.5 A number of interested parties have been in informal contact and dialogue with the Council, since the purchase of the site. This interest has been strong, constructive and positive in every case, with the general view being put to the Council's officers that we should be look seriously at the potential for 'packaging' our sites. This would make them more attractive to the market and allow us to more effectively control delivery and outcome. There is potential to include not only town centre sites, but also rural exception sites, in any future commissioning for development partners.

Officers are seeking further details from interested Developers on the rationale for such a 'packaging' approach, along with indications/estimates of the rental and capital receipt potentials. This information will be shared with Members at the meeting, if available.

- 3.6 We have been approached also by a national Charity for Homeless People, which operates in the town and which may be interested in purchasing the building element of the site for storage, retail and accommodation.
- 3.7 Members will be aware that Directors and District Museum Trustees are preparing a Heritage Lottery Fund Bid to enable expansion of the current premises in Upper Bond Street, Hinckley, amongst other things to house the restored Hansom Cab in the longer term. To maintain interest locally in this venture, it is possible that the Hansom Cab could be housed temporarily (up to three years) in the former Co-op building. The estimated cost of doing this is c£28k.
- 3.8 We have also recently been approached to consider the existing premises as an indoor market, but the interest in its use for a gaming facility is not now being pursued.

#### 4. OPTIONS

- 4.1 After informed consideration by officers and between officers and Executive Members, the following framework is offered for a more detailed Development Brief.
- 4.2 Any Brief could require one or a combination of the following:

\* Retention of shoppers car parking (capacity to be determined)

- \* Leisure facility - bowling alley/trampolining - compatible with/ complementary to facilities offered by the Leisure Centre at Argents Mead
- \* Housing
- \* Retail - facing onto Castle Street
- \* Showcasing of Hansom Cab
- \* Inclusion of other relevant sites across the town and the wider Borough area to help determine their use and capacity and position them more positively for marketing the sites and securing reasonable returns.

Members' views and direction on the last proposal will be particularly helpful.

- 4.3 Potential developers should be asked for their proposals on their requirements by a formal Development Brief, drafted on the basis of the list in 4.2.

## 5. FINANCIAL IMPLICATIONS (AW)

- 5.1 Due to the nature of the report as a general brief on possible developments, specific financial implications are not possible until a decision on the details of any development are made.
- 5.2 In general any development proposed should recover the current financing cost (MRP and interest) and recover and future financing cost arising from implementing on of the options. Also, before committing to any development sufficient detail should be included in a development plan to mitigate the risk of future unbudgeted expenditure in future for both capital and revenue.
- 5.3 The purchase of the Co-op site cost the council £1,455,000. As it will be held for a period of longer than one financial year, it will attract MRP charges to the general fund. Based on an assumed asset life of 25 years, each year held will be a cost to the general fund of £58,200. It also attracts business rate charges of £67,500 (including the Co-op building). Interest is also incurred in relation to funding of this purchase in the region of £29,000. The business case for the car park noted running costs, excluding business rates, of £22,800. Therefore, the current projected annual income of this report of £70,000 is not adequate to cover the costs of the site being run on the current basis. The current position based on these figures is a cost the General fund of £107,500 annually. These costs will continue to be incurred until the site is either disposed of or any proposed development is actioned and completed.
- 5.4 If the option to house the hansom Cab in the former Coop building is pursued, the additional one-off cost estimated at £28,000 would also fall on the general fund.

## 6. LEGAL IMPLICATIONS (AR)

- 6.1 The various options set out within this report will need to be secured through the completion of legal agreements.
- 6.2 The Council will be required to secure best consideration in any form of disposal of the land in accordance with Section 123 of the Local Government Act 1972. This disposal includes the letting of the land which exceeds seven years.

## 7. CORPORATE PLAN IMPLICATIONS

- 7.1 \* Creating a vibrant place to work and live
- \* Empowering communities

## 8. CONSULTATION

- 8.1 Approval of this outline Brief will give direction to officers to enable consultation with the Hinckley BID, the Chamber of Trade and other interested parties, to assist the preparation of a final Development Brief.

## 9. RISK IMPLICATIONS

- 9.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

- 9.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

- 9.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
That the site is not fully/effectively utilised for a significant length of time and that there is no clear direction for the future; thus affecting the commercial activity in that area and delaying a capital receipt to the Council.	Giving clear direction for the preparation of a Development Brief, including the 'packaging' of other relevant parcels of land.	Chief Executive

## 10. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

- 10.1 Whilst the reopening of the car park element of the (former) Coop site has been beneficial to the retail and other commercial businesses in that area of the town, there needs to be a 'draw' to replace that formerly provided by the Coop, in addition to the provision for car parking, and a pleasing aesthetic to the frontage.

## 11. CORPORATE IMPLICATIONS

- 11.1 By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Procurement implications
- Human Resources implications

- Planning implications Data Protection implications
  - Voluntary Sector
- 

Background papers: 'Car Parking – Hinckley Town Centre' – Council 6 September 2016

Contact Officer: Steve Atkinson, Chief Executive, ext 5606

Executive Member: Councillor C Ladkin - Towns and Urban Communities

Councillor Miriam Surtees - Regeneration