

# REPORT TO CABINET

REPORT OF: CORPORATE DIRECTOR (COMMUNITY SERVICES)

REPORT NO: DCS33

DATE: 5<sup>th</sup> DECEMBER 2005

<b>TITLE:</b>	<b>EAST STREET AND WELHAM STREET CAR PARKS - PROGRESS REPORT</b>
<b>FORWARD PLAN ITEM:</b>	Yes
<b>DATE WHEN FIRST APPEARED IN FORWARD PLAN:</b>	16 <sup>th</sup> November 2004
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	N/A

<b>COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:</b>	Councillor John Smith Economic Portfolio
<b>CORPORATE PRIORITY:</b>	Priority A: Town Centre Development and Grantham as a Sub-Regional Centre
<b>CRIME AND DISORDER IMPLICATIONS:</b>	Design to Include A.C.P.O. Secure Car Park Design Standards
<b>FREEDOM OF INFORMATION ACT IMPLICATIONS:</b>	
<b>BACKGROUND PAPERS:</b>	Report to Cabinet – 11 <sup>th</sup> April 2005 – DCS14 Grantham Town Centres – Watergate, East Street Car Parks Report to Cabinet – 11 <sup>th</sup> July 2005- DCS 24

## **1.0 BACKGROUND**

- 1.1 On the 11<sup>th</sup> July 2005 Cabinet approved a report recommending the development of two sites, the former Kwik Save site located in East Street, and the development of a multi-storey car park on the Welham Street site in Grantham.
- 1.2 This report provides a progress report on each of the sites.

## **2.0 RECOMMENDATION**

- 2.1 Cabinet are requested to note the progress achieved to date.

### **3.0 CURRENT POSITION (Welham Street)**

- 3.1 A Traffic Impact Study has been completed for the development and it is anticipated that the recommendations of the Study can be implemented within the provisional budget allocated for the project of £250,000.
- 3.2 The Heritage Trust For Lincolnshire have indicated that some archaeological survey work will be necessary. This has not been instructed at this stage and will be progressed subject to outline planning approval being granted. It is likely that the survey will involve a trial trench evaluation on the site. Geotechnical surveys have also been completed.
- 3.3 An outline planning application has been submitted and will be considered by Development Control Committee on 6<sup>th</sup> December 2005.
- 3.4 Tender specifications and contract documentation has been prepared. Tenders have been selected from the Council's approved list. Tenders will be despatched on 8<sup>th</sup> December 2005 with a return date of 9<sup>th</sup> January 2006. The timetable table has slipped for this element of the project as previously a return date of 30<sup>th</sup> November 2005 had been set. The reason for this is to ensure that outline planning permission is granted before invitations to tender are requested. It will be possible to catch up during the tender evaluation period and sign off the contracts by 31<sup>st</sup> March 2006 in line with the original timetable.
- 3.5 The following table indicates expenditure against the budget estimates

Table 1

	<b>Estimated Expenditure</b>	<b>Actual Expenditure</b>
Fees Traffic Impact Study	£25,000	£19,400
Further site surveys	£10,000	£ 5,000 (Archaeological) £ 5,000 (Geotechnical)
Outline Planning permission	£ 2,000	£ 1060
<b>Totals</b>	<b>£37,000</b>	<b>£30,460</b>

- 3.5 It is not possible to test the estimate of £2,500,000 for the construction of the car park until the preliminary designs and costs are received on 9<sup>th</sup> January 2006.

### **4.0 CURRENT POSITION (East Street)**

- 4.1 Competitive tenders have been received for the demolition of the buildings on East Street. Demolition costs are £333,989. This sum includes a provisional sum for surveying party walls of adjoining property.
- 4.2 It had been hoped that demolition would take place before Christmas however, the time needed for the successful contractor to mobilise staff and equipment, placed demolition too close to the Christmas period. Demolition will therefore commence on 9<sup>th</sup> January 2006 with a completion date of 17<sup>th</sup> March 2006.
- 4.3 Following the completion of the demolition work the area will be set up as an open car park for the duration of constructing the new multi-storey car park on Welham

Street. It is proposed to start marketing the East Street site for development from May 2006 onwards on the basis of a conditional sale.

4.4 The following table shows the current position of expenditure against budget based on tenders received to date.

Table 2

	<b>Estimated Expenditure</b>	<b>Actual Expenditure</b>
<u>East Street Site</u>		
Demolition Costs	£400,000	£333,989
Set Up Costs	£ 55,000	£ 55,000 (Estimated)
<u>Totals</u>	<u>£455,000</u>	<u>£388,989</u>

4.5 It is not possible to test the estimated capital receipt of £2,700,000 until the site is marketed in May 2006 but there does not appear to be any significant change in market conditions since the site was valued earlier this year.

## **5.0 COMMENTS OF THE CORPORATE DIRECTOR OF FINANCE AND STRATEGIC RESOURCES**

5.1 I have been kept informed of progress on this project and this report is in accordance with good project monitoring of capital schemes.

## **6.0 COMMENTS OF THE CORPORATE MANAGER (DEMOCRATIC & LEGAL SERVICES)**

6.1 No comments at this stage.

## **7.0 CONCLUSIONS**

7.1 The project remains on target. Many of the financial uncertainties of the projects have been resolved and the schemes remain on target financially. The three remaining uncertainties are: a) whether or not planning permission is granted for the Welham Street scheme, b) the tenders being sought for design and detailed costing demonstrates that Welham Street can be constructed within the budget of £2,500,000 c) the sale of East Street for development realises a capital receipt in excess of £2,700,000.

7.2 As the report outlines the outcome of the planning application for Welham Street will be known on 6<sup>th</sup> December 2005, tenders for design and costing will be returned on 9<sup>th</sup> January 2006 and marketing of East Street will commence in May 2006.

## **8.0 CONTACT OFFICER**

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22<sup>nd</sup> November 2005