

Report of the Deputy Chief Executive

BEESTON TOWN CENTRE REDEVELOPMENT1. Purpose of report

To update members on progress on The Square Phase 2 in Beeston.

2. Background

The Council agreed to directly develop a cinema and food and beverage complex at the northern end of the site, with 132 flats to the south (now sold to a third party to build out), linked by public realm. The Deputy Chief Executive has delegated authority for all aspects of the project within the budget approved by Policy and Performance Committee on 3 July 2019, endorsed by the Full Council of 17 July 2019 and amended by Finance and Resources Committee on 11 February 2021.

3. Key Updates

- Lettings have been agreed for units 2, 3 and 6 as previously reported – all of which expect to be trading by the end of January 2022. This is a little later than hoped for, due to tenants focussing on re-building their existing businesses following COVID-19 restrictions and shortages of key materials across the construction industry.
- Leases for Units 2, 3 and 6 are in the final stages of agreement and a verbal update on the latest position will be given on the evening.
- On 27 July the cross-party project board received a presentation of options for refreshing and re-modelling the Argos block that is now vacant apart from a small first floor office. This is intended to restore the Council's income by providing units to satisfy current market trends and the strong interest in Beeston on the back of the subject new development. The board instructed the team to develop preferred options ready for a planning application and to prepare pre-tender costs.
- The updated plans will be considered at the September project board and, if acceptable, an application will be made to the Finance & Resources Committee on 7 October for a capital budget of approximately £500,000 to undertake the works. If this budget is approved, the works will be let as a separate project tendered in accordance with the Council's procurement policy.

4. Financial implications

The shell contract has been delivered on budget and the overall scheme remains on target to be self-financing despite the impact of COVID-19 on rental values and the degree of support incoming tenants are requiring from their landlords to fitting-out bare premises.

Recommendations

The Committee is asked to:

- 1. NOTE the report and any further verbal updates provided.**
- 2. RESOLVE to continue to delegate to the Deputy Chief Executive all key approvals, in consultation with the cross-party Project Board, and subject to the overall project cost remaining within the financial limits already set or subsequently changed by the Finance and Resources Committee and/or Full Council as appropriate.**

Background papers Nil