

## Report of the Deputy Chief Executive

**BEESTON TOWN CENTRE REDEVELOPMENT**1. 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 & beverage complex at the northern end of the site, with 132 flats to the south (to be sold to a third party to build out), linked by public realm. The Deputy Chief Executive has delegated authority for financial aspects of the project within the budget approved by Policy and Performance Committee on 3 July 2019 and endorsed by the Full Council of 17 July 2019.

3. Key Updates (some further details are given in the exempt appendix)

- The residential sale is scheduled for completion on 4<sup>th</sup> November.
- Despite the challenges of developing a difficult town-centre site whilst maintaining Covid-secure working, Bowmer & Kirkland is progressing well on site with practical completion due before the calendar year end.
- The Arc Cinema remains committed to and confident about the development and has confirmed its intention to open in the first quarter of 2021/22.
- Beeston will be the first and biggest of The Arc's premium brands for the UK and a CGI "fly-through" showing this exciting new concept will be available for Member review and then public release shortly.
- The Council's letting agents have reported the return of tentative interest from potential café & restaurant operators that are being actively courted. These are mostly coming from independent retailers developing fresh new offers which is exciting news for both the development and the vitality of Beeston town centre as a whole.
- Provision of public toilets was considered by Community Safety Committee on 10 September with a recommendation on to Finance and Resources Committee later this month.

4. Financial implications

- Assuming that the residential sale completes at the agreed value this calendar year, the capital cost of the project remains within the approved budget.
- Whilst it is still anticipated that the project will ultimately be self-financing, there remains a risk of an initial revenue deficit in the first 2 years after opening due to expected delays in securing long-term lettings and lower initial rents as business emerge from the current extraordinary circumstances. Further details are contained in the exempt appendix.

**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 & Resources Committee and/or Full Council as appropriate.**

Background papers

Nil