



Executive Committee

No Direct Ward Relevance

6th January 2010

FORMER COVERED MARKET – INITIAL OPTIONS APPRAISAL

(Report of the Head of Legal, Democratic & Property Services)

1. Summary of Proposals

To ask Members to consider the options available for the site of the former Covered Market.

2. Recommendations

The Committee is asked to RESOLVE/RECOMMEND one or more of the following options:

- 1) to declare the site surplus to the Council's requirements;
- 2) to authorise Property Services, in conjunction with Planning Services, to work up a detailed development brief to be reported to a future Executive Committee meeting;
- 3) to authorise Property Services to carry out market testing in line with the Town Centre Strategy recommendations;
- 4) to authorise Property Services to secure any short term interim uses of the former covered market area that would generate income, subject to planning.
- 5) an initial budget to fund the project and marketing costs be approved of £10,000.

3. Financial, Legal, Policy, Risk and Sustainability Implications

Financial

- 3.1 There is a small budget for repairs to the site of £2,900 for 2009/10.
- 3.2 Property Services have negotiated with the Valuation Office and have secured the site's removal from the rating list so that void rates are no longer payable.
- 3.3 Rent for uses such as a contractors' compound may generate additional revenue in the short term for the site until its future is decided.

- 3.4 A capital receipt will be receivable if the site is disposed of for redevelopment but the level of such receipt will be dictated by the extent of any proposed scheme and the prevailing market conditions.

Legal

- 3.5 The Council is required to dispose of any interest in land including leases for the best consideration possible in accordance with Section 123 of the Local Government Act 1972. A short lease of less than 7 years may, however, be let at less than best rental if the proposal supports the Council's policies / work.
- 3.6 The Council's title to the site is in the process of being registered under the Council's Voluntary Land Registration Programme and will be fully investigated by Legal Services as part of any detailed appraisal to assess any restrictions that may affect the site.

Policy

- 3.7 The Council's agreed Strategy for the Asset Management Plan is to ensure that asset holdings reflect organisational requirements to meet current service delivery needs.
- 3.8 The monitoring and review of the use of the Council's assets in supporting Value for Money delivery of services embraces the acquisition and disposal of property.
- 3.9 Planning Services have not supported previous applications for permanent car parking as this would be against current policy.
- 3.10 The Town Centre Strategy has been formally adopted by Members and recommends mixed use for the site including residential and café/restaurant offer.

Risk

- 3.11 The site is currently vacant and will continue to attract petty vandalism and ongoing maintenance if retained in its current status.
- 3.12 Marketing of the site in the current poor economic conditions may result in a reduced number of interested developers and a depressed capital value. It is possible that no acceptable interest would be generated and the site would be retained until the market improves.

Sustainability / Environmental

- 3.13 These matters would be fully addressed through the planning process and any development brief produced.

Report

4. Background

- 4.1 Officers have been asked to consider options for the use or redevelopment of the former Covered Market site.
- 4.2 The original open market site in Royal Square was sold by the Council to Scottish Widows to allow the Kingfisher Centre extension which is now occupied predominantly by Debenhams.
- 4.3 Redditch Market was then temporarily sited in its current location on Market Place and Alcester Street whilst the Covered Market was being constructed.
- 4.4 The Covered Market was required to be constructed as part of the sale agreement and was opened in 2003 and Redditch Market then relocated from Market Place/Alcester Street.
- 4.5 The Covered Market location proved to be unpopular with shoppers and ultimately traders, resulting in a steady decline over several years.
- 4.6 Property Services undertook a review of the operation of Redditch Market in consultation with the remaining traders during early 2006. It quickly became evident that the Covered Market location was unsustainable and that the only feasible way Redditch Market could survive was to relocate to Market Place. Members' support for an initial 2 year trial was obtained in June 2006. The move proved to be successful, resulting in permanent planning permission being obtained in 2009.

5. Key Issues

- 5.1 Property Services submitted a planning application for general car parking use on the Covered Market site in March 2007 but this was withdrawn as Planning Officers could not support this use even for a 2-3 year temporary term as it was against Local Plan Policy.
- 5.2 The owners of the Kingfisher Centre have been approached with a view to selling the site to them, but they have confirmed that they have no interest in acquiring or developing the site.

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- 5.3 Other than occasional uses, there have been no long term Council uses identified for the site.
- 5.4 Officers on the Development Group have discussed alternative uses and have favoured a mixed retail and apartment development.
- 5.5 In March 2009 Arum working alongside market experts Jones Long La Salle and Urban Design Specialist Martin Brown were appointed by Redditch Borough Council to deliver a Town Centre Strategy (TCS) for Redditch effectively encompassing everything within the ring road and just beyond, including the Former Covered Market site.
- 5.6 The draft Strategy recommends that the former Covered Market site be utilised predominantly for a single aspect residential development with ancillary retail and restaurant/café offer.
- 5.7 Achieving the aspirations of the TCS in the current economic climate would be very challenging. Current professional opinion is that the residential market will improve slowly over the next 3-4 years and even then may not attain the same levels seen in 2007.
- 5.8 The only way to adjudge current interest would be to undertake some form of market testing which may or may not result in a developer coming forward. A Development Brief of some description or planning guidance would need to be produced before market testing could take place.
- 5.9 Interim uses may need to be considered in more detail if the site is to remain undeveloped for a lengthy period.
- 5.10 There will be resource implications in driving this project forward and a successful bid for revenue funding may be required.

6. Other Implications

Asset Management	The proposed disposals are in accordance with the current Asset Management Strategy Plan and have been appraised using good asset management practice guidelines.
Community Safety	The Town Centre Strategy addresses this issue in detail but any development will seek to reduce anti-social behaviour and will be built in accordance with "Secure by Design" principles.
Human Resources	None other than Property, Planning and Legal Services' Officer time.

Social Exclusion

The proposal as part of the Town Centre Strategy will encourage social inclusion.

7. **Lessons Learnt**

None indicated.

8. **Background Papers**

Relevant papers are held within the Property Services Team and Town Centre Strategy.

9. **Consultation**

There has been no specific consultation other than with relevant Borough Council Officers. Wider consultation has been undertaken in producing the Town Centre Strategy.

10. **Author of Report**

The author of this report is Rob Kindon (Property Services Manager), who can be contacted on extension 3303 (e-mail: rob.kindon@redditchbc.gov.uk) for more information.

11. **Appendices**

Appendix 1 - Location Plan
Appendix 2 - TCS extract (possible)