

### New capital projects

The “wish list” of new capital projects which was drawn up last summer has been through a number of processes, namely:

- It has been assessed against corporate objectives.
- It has been assessed for deliverability, likely costs and potential return on investment.
- It has been submitted to a public consultation process as part of the 2015 budget.

As a result of this process, the 10 most deliverable and well-supported projects are as follows (in order of public preference):

1. Town Hall redevelopment scheme (estimated at £2.4 million)
2. New sports and play hub at the Prince of Wales Stadium (£1.843 million)
3. New public square at Boots Corner (£2 million)
4. Improved facilities for community sport and new gym facilities at leisure@Cheltenham (£433,000)
5. Relocation of the council HQ to another office building to cut the council’s ongoing accommodation costs (£2.5 million)
6. Investment in the crematorium to replace the cremators and improve facilities (£1 million)
7. Improvements in car parking provision (£3.7 million)
8. Investment in the Pittville Park play area (£300,000)
9. Small scale renewable energy initiatives including solar panels on council-owned buildings (£1 million)
10. Permanent electricity supply to Imperial and Montpellier Gardens for events (£180,000)

On these projects, the Cabinet’s view is as follows:

#### 1. Town Hall redevelopment

The opportunity to move forward with a redevelopment of the Town Hall, in order to make it a 21<sup>st</sup> century venue, is too good to miss. Our aim here would be to contribute £2.4 million of council capital in order to attract grants from the Heritage Lottery Fund and trusts and also maybe from commercial partners. However, further work needs to be done to work up a detailed scheme, to cost it, and to fully explore the business case. The Cabinet therefore proposes to allocate the £2.4 million in two separate amounts, of which £400,000 will be committed immediately for further detailed work in order to design a scheme that is robust and detailed enough to present to external funders; and £1.8 million will be held in reserve as the Council’s contribution to the works, with the intention of topping this up to £2 million, pending a detailed scheme being approved.

#### 2. New sports and play hub

The Cabinet supports this scheme in principle but would like to see further work carried out on it to establish a business case and explore whether the additional income stream from the new facilities could support prudential borrowing.

### **3. New public square at Boots Corner**

In supporting the Cheltenham Transport Plan, the Council committed itself to funding public realm works in and around Boots Corner. It may be some time before the precise nature of the road arrangements at Boots Corner is known. However it is important that the Council should stand ready to meet its commitment; and for that reason the Cabinet proposes that £2 million should be held in reserve for this scheme.

### **4. Improved facilities for community sport and new gym facilities**

As with the sports and play hub, the Cabinet supports this scheme in principle but would like to see further work carried out on it to establish a business case and explore whether the additional income stream from the new facilities could support prudential borrowing.

### **5. Relocation of the council HQ**

This relocation has been a key element in the Council's medium term financial strategy for some years. The current accommodation strategy was supported almost unanimously (with only one abstention and no votes against) when it came to Council last March. The Council is working to deliver an annual saving target of £200,000. Work has been in hand to identify suitable accommodation for the past three years. If it can be found, at an acceptable price and in a way that meets the Council's other agreed requirements, it is likely that the acquisition cost would be met by a combination of a contribution from capital and prudential borrowing. The Cabinet therefore proposes that £2.5 million should be held in reserve for this project.

### **6. Investment in the crematorium**

There is clearly going to be a requirement to invest in the crematorium to replace the cremators in the next few years and this may also be an opportunity to improve the facilities more generally. Part of the cost of this investment could potentially come from prudential borrowing, as the facility has very substantial income-earning potential. However the Cabinet proposes that the Council should also earmark £1 million from capital for this project.

### **7. Improvements in car parking provision**

Part of the rationale for this item was that the Council might consider decking one of the surface car parks in the town centre, with the intension of releasing an existing surface car park/s for potential redevelopment. This will be the subject of a separate car parking strategy review.. The Council has also committed to creating a temporary new car park on the Shopfitters/Synagogue Lane sites. Work will continue to secure the new public car park which the new owners of the North Place site are committed to providing.

### **8. Investment in the Pittville Park play area**

This project was initiated with a view to creating a state of the art play area capable of attracting not just families from across the town but visitors from a wide area outside it. It is seen as a £490,000 scheme with £300,000 being contributed by the Council and £190,000 by other funders. This scheme has the benefit of being deliverable more quickly than some of the bigger projects on the list. It is also different from the other leisure proposals on the list in catering more directly for the needs of families with young children. The Cabinet proposes that £300,000 be allocated to this project.

## **9. Small scale renewable energy initiatives**

The Cabinet wishes to explore this further as a 'invest to save' initiative but is not proposing at present to allocate capital to it, as there may be other ways of funding it.

## **10. Permanent electricity supply to Imperial and Montpellier Gardens**

This proposal was originally suggested as a way of relieving residents from the noise and other damage caused by the use of heavy generators at events in the gardens. However, the two local organisations FISG and FOMBAG have now objected strenuously to the idea. At the same time, work recently done by our property maintenance officers has revealed that the work is likely to be more costly and complicated than was at first thought, with a cost estimated at £300k for the two gardens. It would also involve creating a substantial permanent building at each location, with a resulting visual impact. The proposal is not therefore being proceeded with, though further discussions will certainly take place with interested parties including FISG, FOMBAG and Cheltenham Festivals and alternative solutions may come forward.

### **The Cabinet's proposals in summary**

To summarise the Cabinet's proposals to Council, they are:

- (i) To allocate £400,000 for preliminary work on the Town Hall redevelopment scheme; and to hold a further £1.8 million in reserve as the Council's contribution to works, subject to the Council approving a detailed scheme and a business case.
- (ii) To hold £2 million in reserve for public realm improvements pending the completion of the Cheltenham Transport Plan process.
- (iii) To hold £2.5 million in reserve for relocation of the council HQ.
- (iv) To hold £1 million in reserve for investment in the crematorium, pending the Council approving a detailed proposal including a business case.
- (v) To allocate £300,000 for investment in the Pittville Park play area.