

Cakebridge Place Regeneration – Options Review

1.0 Introduction

- 1.1 In 2004/05 CBH commissioned a structural review of all non-traditional housing from Curtins Consulting Limited. This review included two housing schemes consisting of 'Tarran' bungalows, 8 at Brighton Road and 12 at Cakebridge Place. The review found them all to be beyond economic repair and a decision was made not to relet voids and to undertake redevelopment as a priority.
- 1.2 The 2007 Asset Management Plan identified the priority of redevelopment and both schemes were placed into the agreed regeneration programme, with Brighton Road being addressed first as it had only one unit disposed of under R-t-B and a higher number of voids.
- 1.3 Cakebridge Place was included in the Phase 2 Development Programme in 2012 and was tendered alongside the St Pauls Phase Two and Garage Sites Phase One works. A suitable tender was received for the redevelopment contract from Lovell Partnership Homes, together with the Garages Phase One scheme.
- 1.4 At Cabinet on 16 October 2012, CBH was authorised to progress contractual negotiations with Lovell in respect of Cakebridge Place.

2.0 Initial Progress and Issues

- 2.1 Lovell knew at tender stage that the issue of flood zoning had to be addressed and they procured independent advice in respect of the flood zoning. They spent a considerable period investigating redevelopment options, however eventually they were unable to confirm that, on the basis of the advice received, they had a viable development option and withdrew from the site.
- 2.2 On that basis, CBH and CBC began to consider alternative options, in conjunction with Cheltenham Town Football Club (CTFC) who were interested in establishing the potential to extend their stand. One option was to move the development away from Wymans Brook by undertaking a small localised land swap, utilising a strip of the existing car park for housing and preserving an undeveloped strip alongside the football ground, which would facilitate stand extension if appropriate at some stage in the future.
- 2.3 Out of those discussions particularly regarding concern about building in a flood zone came a further option to undertake a larger land swap within the current CTFC leased grounds (all in CBC ownership). The option was to utilise the existing car park area adjacent to Whaddon Road for housing and to create a new entrance and car park on the Cakebridge Place site for CTFC. This would retain the central area of car parking for ongoing use and allow for any future extension of the stand. This option removed the flood risk issue as an impediment to redevelopment. It also provided the opportunity to look at the Councils land and property assets in that locality in a more holistic strategic way.

- 2.4 The option was considered jointly with planning and highways in order to ensure that there would be general support if it were to be further developed and support in principal was given.
- 2.5 At Cabinet on 15 July 2014 approval was granted for the acquisition of the three privately owned properties in order to unrestricted possession of the full site at Cakebridge Place, a prerequisite to redevelopment. The Paper acknowledged that should the land swap option prove to be unviable then alternative options would be sought.

3.0 Development of Whaddon Road Option

- 3.1 In order to develop this option, CBH instructed Quattro Architects to produce a plan indicating the provision of an area equivalent to the footprint of Cakebridge Place on the Whaddon Road end of the CTFC car park. Quattro went on to produce an indicative layout for the assumed area, which identified the potential capacity for a scheme of up to 16 units.
- 3.2 A key aspect of this alternative option is the additional cost of clearance and reconstruction of the Cakebridge Place site to form an access road and secure car and coach parking. This was costed up by CBH's Employers Agent at £490,000 for a fully surfaced and fenced car park (exclusive of VAT).
- 3.3 This was seen as a significant 'premium' to secure development and as a result CBH decided to revisit the original option and ensure that the potential to redevelop within a slightly adjusted Cakebridge Place footprint was absolutely ruled out on flood risk grounds.

4.0 Changed Circumstances at Cakebridge Place

- 4.1 In order to do this, CBH directly commissioned a Flood Risk Assessment from a specialist consultant. During that exercise, the consultant was able to secure more detailed information from the Environment Agency which crucially re-designated a large part of the site as being at a lower flood risk.
- 4.2 Based upon that information, Quattro Architects were able to produce a viable redevelopment option for the adjusted site (allowing still for a minor land swap to facilitate a stand extension for CTFC in due course if applicable). This option provides the potential for up to 21 new homes.

5.0 Current Position

- 5.1 The current position is that there are therefore two potential schemes that support redevelopment of the existing site, one with 21 units and a second through a full site swap site swap for 16 units, with the additional cost of works associated with the car park re-provision.
- 5.2 For either option, CBH required full site possession of Cakebridge Place and therefore the acquisition of owner occupied properties was a priority. All the purchases have been completed and the site is now vacant.

5.3 Section 6 below sets out a comprehensive comparison between these two options in order that an informed decision can be made in respect of which option will be taken forward.

6.0 Cost Options Comparison

6.1 CBH was asked to consider three options as follows:

- The current 21 unit scheme at Cakebridge Place
- The current 16 unit scheme at Whaddon Road
- An expanded 21 unit scheme at Whaddon Road to equate to the Cakebridge Place potential.

6.2 Comparative development costs:

Unit Costs for Cakebridge Place Options			
Scheme	Units	TSC	£/unit
Cakebridge Place	21 Units	2,671,068	127,194
Whaddon Road	16 Units	2,202,946 +350,000 2,552,946	137,684 159,559
Whaddon Road (Significant loss of parking capacity + addl. Services diversions costs not yet included).	21 Units	2,776,656 +350,000 3,126,656	132,222 148,888

6.3 The development costs are QS indicative cost estimates based upon initial designs for both options. The additional cost of £350,000 added to the Whaddon Road options consists of a reduced works cost for the car parking with the addition of oncosts and VAT, which would be applicable.

6.4 It is estimated that the additional five units required for the last of these options would require at least 30% of the available parking area and a significant cost premium to relay the incoming electrical mains to the CTFC stands and buildings. On that basis is suggested that this would not be a viable solution.

6.5 Assuming that the additionality can be calculated based upon the 9 previously owned units, the options generate 12 and 7 new units respectively. On that basis the gross costs can be discounted by £457,896 and £289,135 respectively.

6.6 Scheme costs net of R-t-B receipt contribution:

Net Total Cost after deduction of RtB Contributions				
Scheme	Units	TSC	TSC Net of RTB	RTB Calculation Basis

Cakebridge Place	21	2,671,068	2,213,170	12 x 38,158
Whaddon Road	16	2,552,946	2,263,811	7 x 41,305

As a result, for an estimated cost lower by £51,000 the Cakebridge Place option delivers five more units than the Whaddon Road one and demonstrably presents the best value option.

6.7 The schedule at Appendix A demonstrates the comparative impacts of the options considered above.

7.0 Strategic View of CBC Surrounding Land Holdings

7.1 In pure cost terms the development of Cakebridge Place as presented is the best cost option, even though it may be possible to make cost savings to the provision of the car park .

7.2 However an opportunity exists that could have longer term holistic benefits to the Councils assets in this vicinity.

7.3 The development of Cakebridge Place on the basis of the smaller land swap (see plan 1), will provide 21 affordable units, however due to its strategic location could provide the principle gateway to a larger development site should the football club relocate or cease to exist.

7.4 It will be extremely important that care is taken with regard to layout, design, materials, house type and treatment of car parking otherwise it will have a negative impact on the land value of the potential future larger development site. These factors along with the strategic nature of the site should be the overriding factors rather than seeking to maximise density.

7.5 The smaller land swap to facilitate a future extension of the west stand is not without risk to the football club due to potential rights of light claims from residents of the redeveloped Cakebridge Place site. Whilst the Council can exclude right of lights in the land transfer, it does not remove the possibility of prescriptive rights subsequently being obtained especially as the clubs desire to extend the stand will not be achieved in the short term.

7.6 A Light Obstruction Notice procedure can be used to prevent rights subsequently being claimed but this requires an appropriate administrative process to be in place to ensure a new notice is served every 20 years which raises a risk should an error occur.

7.7 The above matters are irrelevant if the affordable residential scheme is provided on the Whaddon Road option. Whilst the cost of the scheme is greater due to the car park works and there being 5 fewer units, there will be other significant benefits which also meets the Councils core strategic objectives.

- There are likely to be potential commercial benefits to the football club as in addition to the west stand extension there will be the opportunity for a commercial income generating development in the north west corner of the

site (within what is currently Cakebridge Place) which will help increase employment and safe guard the provision of leisure in the locality.

- There are also likely to be some environmental advantages by the removal of a significant volume of traffic off Whaddon Road on match days as access for coaches,cars and service vehicles into the stadium will be off the wider Prestury Road . This will help alleviate the current match day problems experienced along Whaddon Road and provide safer entry to the stadium by vehicles and pedestrians.
- The potential future redevelopment of the stadium site would be better served with a more commercially led design and layout off Prestbury Road, as this will have greater marketability thereby maintaining the value of the remainder of the Councils site.

7.8 Caution therefore needs to be exercised in pursuing an immediate short term gain at the expense of longer term strategic benefits.

Appendix 'A'**Cakebridge Place Options Issues**

Cakebridge Place – 21 Units	Whaddon Road – 16 Units	Whaddon Road – 21 Units
Requires full site possession at Cakebridge Place.	Requires full site possession at Cakebridge Place.	Requires full site possession at Cakebridge Place.
Requires resolution of misuse of land at rear of 103 Prestbury Road.	Requires resolution of misuse of land at rear of 103 Prestbury Road.	Requires resolution of misuse of land at rear of 103 Prestbury Road.
Requires Planning and Highways approvals.	Requires Planning and Highways approvals.	Requires Planning and Highways approvals.
Requires demolition and clearance of Cakebridge Place.	Requires demolition and clearance of Cakebridge Place.	Requires demolition and clearance of Cakebridge Place.
Requires Stopping-Up of existing highway.	Requires Stopping-Up of existing highway.	Requires Stopping-Up of existing highway.
N/A	Requires reconstruction of Cakebridge Place for parking use.	Requires reconstruction of Cakebridge Place for parking use.
N/A	Could require additional highways design works including Traffic Impact Assessment.	Could require additional highways design works including Traffic Impact Assessment.
N/A	Requires relocation of gas main.	Requires relocation of gas main.
N/A	N/A	Requires relocation of substantial electrical service mains cable.
N/A	Requires land swap of approximately equal areas.	Requires larger land swap with loss of at least 30% of parking capacity.
N/A	Would introduce a programme delay to property construction and thereby R-t-B drawdown.	Would introduce a programme delay to property construction and thereby R-t-B drawdown.
N/A	May require a change of use at Planning stage.	May require a change of use at Planning stage.
N/A	Greater impact on neighbour at 119 Prestbury Road.	Greater impact on neighbour at 119 Prestbury Road.
N/A	Status of CTFC may mitigate against significant investment by CBC.	Status of CTFC may mitigate against significant investment by CBC.