

		Insert name and date of meeting in this box. Executive 22 nd May 2008	Agenda Item No.
Title Court Street Creative Arches			
For further information about this report please contact		Ray Smith 01926 833908	
Service Area		Economic Development & Regeneration	
Wards of the District directly affected		Brunswick	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006		No	
Date and meeting when issue was last considered and relevant minute number		Executive Committee 10 th December 2007 Minute No. 723	
Background Papers			

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	Yes/No

Officer/Councillor Approval		
With regard to officer approval all reports <u>must</u> be approved by the report authors relevant director, Finance, Legal Services and the relevant Portfolio Holder(s).		
Officer Approval	Date	Name
Relevant Director		
Chief Executive		Chris Elliott
CMT		
Section 151 Officer		Mary Hawkins
Legal		Simon Best
Finance		Jenny Clayton
Portfolio Holder(s)		Cllr Hammon
Consultation Undertaken		
Final Decision?		No
Suggested next steps (if not final decision please set out below)		

1. SUMMARY

- 1.1 This report provides a brief update for members on progress with this project.

2. RECOMMENDATION

- 2.1 Members to note the present position

3. REASONS FOR THE RECOMMENDATION

- 3.1.1 In September 2007 Advantage West Midlands (AWM) approved funding for the Court Street Creative Arches Project one of the three Creating Uplift Provision (CUP) funding bids which the Council are pursuing as part of its Economic Development strategy. The funding allows for the refurbishment of 13 railway arches in Court St, Leamington Spa and the creation of affordable business premises targeted at "creative industries".
- 3.2 In order to keep the Council's contribution by way of prudential borrowing to a minimum the scheme specification was reviewed and re-costed in late 2007. Costs were reduced where possible reducing the overall Project Cost to £903,754.
- 3.3 Since then the Project Team and Legal Services have been negotiating the Funding Agreement with AWM which is now ready for signing. A new lease of all 13 arches in line with agreed Heads of Terms with Network Rail should be ready for signature by the end of May. The agreements with two existing tenants to vacate are in the final stages of negotiation.
- 3.4 Subject to finalisation of the legal agreements outlined in 3.3 it is expected that work on site will start in June 2008 on a 'pilot' arch with completion August/September with the remaining arches all finished by January/February 2009
- 3.5 Interest in these units is strong. Although marketing of the arches has not commenced properly the scheme was promoted in Enterprise News in February and the Council has a list of 31 potential tenants, the majority of whom have registered their interest in the last 6 months.

4. ALTERNATIVE OPTION CONSIDERED

- 4.1 Not applicable in this case.

5. BUDGETARY FRAMEWORK

- 5.1 At its meeting on 10th December 2007 the Executive agreed to increase the level of prudential borrowing to £469,952 on the basis that the revised Capital Scheme would cost £903,754 and the remaining £433,802 would be funded by way of a Capital Grant from AWM.
- 5.2 The Project Officer can report that updated costings by the Councils QS and the appointed contractor can still bring this project in within these approved sums

6. POLICY FRAMEWORK

- 6.1 In the Corporate Strategy – Development, one of the priorities is to exploit appropriate opportunities for new business growth, which this scheme will contribute.