

Great Langborough Residents' Association

Wokingham Town Centre Regeneration

Meeting 14.05.2014 - Preliminary Report

1. Purpose of Meeting

The purpose of the meeting was to understand further the financial plan assumptions for the Regeneration, following the meeting of 13.12.13. The main focus was on the management of risk to public funds especially following the withdrawal of Sainsbury as a potential supermarket tenant.

2. Attendees

Great Langborough Residents' Association (GLRA) was represented by Robin Cops, Committee Member and David Nash, Secretary of GLRA.

Wokingham Borough Council was represented by Councillors Anthony Pollock, Executive Member for Finance and Philip Mirfin, Executive Member for Regeneration; Graham Ebers, Director of Finance & Resources; Keith McKenzie, Financial Lead Officer for the Regeneration; Bernie Pich, Head of Town Centre Regeneration.

3. Planning Applications Update

Philip Mirfin explained that the Conservative Group reviewed the original planning applications. They raised some issues on aspects of the plans and suggested reviews of others. WBC decided to withdraw the applications temporarily on 20.12.13.

They have now agreed Rose Street, Peach Street and Peach Place and were looking at changes in the Hotel design. However, having been pressed by WBC for a decision, J Sainsbury had a board meeting in April that rejected the proposals for large outlets in Wokingham and Abingdon.

4. Post JS Withdrawal

WBC was continuing a dialogue with another major food retailer to fill the 60,000 sq. ft. site on Elms Field, who had expressed interest for some while. A large food retailer remained the preferred tenant for the site. JS had insisted on an underground car park; the alternative tenant had not.

WBC intended to re-submit the revised planning applications at the very latest "by the Autumn". The financial parameters had been tested by Wilson Bowden and historically Wokingham Enterprise Ltd using input from Strutt Parker (retail advisors) and Nathaniel Litchfield

5. Alternative Plan

Bernie Pich confirmed that there had been no detailed officer review of the "Alternative Plan" proposed by the Liberal Group due to the lack of detail and supporting independent documentation. Responding to the suggestion that the scheme should be non-political plan mutually agreed by both political groups, Philip Mirfin said that previous invitations to the Liberal Group had not received a positive reaction. However, there was no objection in principle to attempting to agree on a joint approach. Robin Cops said that he would clarify that with the Liberal Group to see if that could take place.

6. GLRA Concerns: Risk

Robin Cops and David Nash expressed concerns about the element of risk in investing in a large scale retail development in a period of such rapid change for this sector. A lower risk plan would progress on an incremental "invest and test" basis and not commit the full £95m in one go. Graham Ebers said that the financial plan conformed to this "prudential code". For example, retail units built on Elms Field would not start until long term tenants were contracted for the hotel and supermarket. The financial model had been subjected to rigorous risk assessments. This process was necessary to satisfy Public Works Loan Board before loan funds could be agreed. However once granted those loans would not be subject to central government overview. It was delegated to Graham as CFO of the Borough to take responsibility that the essential criteria were met. He would ensure that any plan would have the necessary "headroom" of income over costs.

Bernie Pich stated that Strutt & Parker were contracted to assist in finding the tenants for the retail units. Robin Cops queried the currency of the retail studies available on the WBC web site. David Nash expressed the view that they were mainly capacity projections based on demographic growth. They were not based on an understanding of the influence of today's lifestyle choices among the high spending income groups in Wokingham i.e. a full up to date retail study. Bernie Pich offered to provide links to more input that supported the WBC plans.

7. GLRA Concerns: Credibility of the planning application process

With WBC as both developer and planning authority, Robin Cops and David Nash explained that the timing of the original planning application so late in 2013 had caused suspicion that WBC had planned to flood the community with too much information to digest before Christmas. Anthony Pollock explained that the timing had been influenced by a perceived need to make an announcement to satisfy J Sainsbury of the seriousness of their intent. There was some discussion about how the announcement process might improve trust in WBC in the future, recognising that some aspects of the plans are highly emotive (e.g. loss of trees and green space).

8. Future Actions

It was agreed that a future meeting should be planned with a more detailed agenda. Robin and David have supplied Graham Ebers with possible dates during the first 10 days of July for Graham to arrange a suitable time.

For further detailed information, please refer to emails that followed the meeting.