

Agenda Item No:	11	
Committee:	CABINET	
Date:	12 December 2022	
Report Title:	Wisbech High Street update	

1. Purpose / Summary

To provide Cabinet with an update regarding ongoing work related to 11 – 12 and 24 High Street, Wisbech and to ask approval for acceptance of a grant to support the building work at 24 High Street.

2. Ongoing work to secure a future for 11- 12 High Street, Wisbech

2.1 As Cabinet has been made aware previously, two options are under consideration for the site. An assessment of option 2 is still ongoing, with further details from the third sector organisation recently received. The changing rates for borrowing are impacting the assessment and affordability of the project.

2.2 Option 1

- **Development of a façade on the High Street**

Whilst this option is not an ideal solution, given the constraints of the site and the current costs of any building development, a façade may be a pragmatic approach. A façade would ensure that the High Street is brought back to look how the community and visitors expect, albeit with no building behind. Please note that any façade would match the look of the front of the building as designed in the approved planning application.

A quantity surveyor has worked up estimated costs for a front façade. The cost, at this time, is estimated at £292,571. Additional cost for project management would be incurred, along with traffic management, and preliminaries and compound for the contractor.

If this approach was followed this money would be a sunk cost as any future development – if that became affordable – would require the removal of the façade.

If it could be shown that this was the only practical approach to securing the High Street's appearance, then it is anticipated that National Lottery Heritage Fund (NLHF) would be sympathetic to supporting this approach and fund 65% of any costs.

This option would also need to consider the costs that the Council is currently responsible for in terms of the scaffolding in place and ongoing annual costs for this to remain in place.

2.3 Option 2

Development of 11 -12 to the agreed design by a 3rd sector organisation operating in the housing sector

Officers have been in discussions with a 3rd sector organisation with a view to the development of the site to the agreed design to facilitate more affordable housing in Wisbech. The organisation sees the value in the development of the site, allowing housing right in the heart of the town centre. This approach will bring Homes England funding into the equation, adding further public sector financial support. A further quantity surveyor report has been developed by the Council and the charitable trust has used this work to sense check the previous work of the third-party developer. Whilst very keen to pursue the possibility of development, there still remains a significant gap in affordability, despite the £1m NLHF grant.

Options to plug the funding gap continue to be investigated with a cashflow developed and further assessment works necessary. The project will depend on a Homes England grant, a successful Brownfield Land renewal Fund bid, as well as FDC potentially using Public Works Loan Board borrowing to be paid back over many years by the development partnership.

Partners are currently working on the further assessment work following the receipts of recently revised cashflow and borrowing cost information and a report to Cabinet with further details will follow.

- 2.4 It should be noted that the NLHF grant of £1m is still available for this site. However, time is running short, with the NLHF expecting to see the Council in contract on the site before the end of March 2023. An extension beyond that period is unlikely. If all potential options have been exhausted and the start of development of 11 -12 was not possible in that period, the Council would ask NLHF to consider applying some of the £1m grant to support the building works at number 24.
- 2.5 Officers have discussed with the Combined Authority the possibility of additional supportive housing funding, should the development option be possible. Unfortunately, the business case for this work already includes supportive funding from Homes England. As the Combined Authority Funding is a similar source, double funding for one project is not possible.

3 Progress to develop 24 High Street

- 3.1 The project to redevelop 24 High Street continues following Cabinet's recommendation and Council's decision to enter into a contract with a preferred bidder to develop the site. A pre contract services agreement is in place with the contractor assessing engineering issues at the site as well as working up a detailed construction phase plan.
- 3.2 To assist the Council with the cost of the building work, an application was submitted to the Combined Authority for a £210,000 grant. The Council has been successful with this bid. The Council will retain ownership of 24 High Street once completed, with an agent managing the commercial unit let, alongside the letting of the residential units. This £210,000 grant is conditional that 6 residential flats are let. A specific lettings policy for these

flats will be developed upon build completion. The policy will conform with the grant funding agreement.

4 Recommendations

- 4.1 That Cabinet notes the current position in relation to these two significant projects in Wisbech High Street.
- 4.2 That Cabinet authorises the S151 Officer to enter into a grant funding agreement with the Combined Authority to accept the grant funding of £210,000 to support 24 High Street's development costs.
- 4.3 That Cabinet notes that 6 residential units in 24 High Street would be let with a specific lettings policy for these flats being developed upon build completion and that the policy will conform with the grant funding agreement, should Cabinet approve acceptance of the grant referred to in in paragraph 4.2.

Wards Affected	Medworth Ward	
Forward Plan Reference	KEY21APR22/01	
Portfolio Holders	Cllr Chris Seaton Cllr Ian Benney Cllr Chris Boden	Portfolio Holder for Social Mobility and Heritage Portfolio Holder for Economic Growth Leader of the Council and Portfolio Holder for Finance
Report Originator	Phil Hughes	Head of Service
Contact Officers	Paul Medd Peter Catchpole Amy Brown	Chief Executive Corporate Director and S151 Officer Assistant Director