

## Appendix 3: Refurbishment of Lower Union Lane Multi-Storey Car Park, Torquay

### 1. Proposal and Introduction

- 1.1 On April 6 2017 the Council agreed a Transformation Strategy for Torbay's Town Centres, as an appendix to the 2013 – 2018 Economic Strategy, and the principles for delivery of that strategy. One element of that strategy included the refurbishment of Lower Union Lane Multi-Storey Car Park (MSCP). This appendix presents the outline business case to the Council for investment in the internal refurbishment of the Car Park. There is reference to the installation of solar PV on the roof space of the car park, which could contribute to the reduction in operating costs of the car park, but this is an operational matter for which the Council's approval is not sought.
- 1.2 Lower Union Lane MSCP is 50 years old and has a total life expectancy of 60 – 75 years. It serves the top end of Union Street, with its range of retail, restaurant and office space. The car park has capacity for 632 cars, which equates to around 20% of Torquay Town Centre's capacity. However, its occupancy is less than 55% on average; there are only 2 days a year when it is 90% full and it is never 100% full. The top floor of the car park is often closed. It generates an income of around £370,000 per annum, but this is projected to rise to £395,000 per annum with growth / successful delivery of town centre regeneration. It costs around £213,000 per annum to maintain, but this level of maintenance has not been forthcoming for a number of years and it is estimated that £1.814m of repair work is now needed.
- 1.3 The MSCP is tired, unattractive and feels unsafe. This is preventing greater use of the car park. However, the car park is in a very good location, is very accessible and has good capacity. It is often the first point of arrival for those people traveling to Torquay / Torbay by car. It gives a very poor first impression of Torquay and the Bay as a whole.
- 1.4 The Council's Transformation Strategy for Torbay's Town Centres promotes significant change for the upper end of Union Street. It needs to become more diverse and vibrant, with more people living and working in this part of the town. There is likely be less, but higher quality, retail space – including space to meet the needs of larger stores. This is illustrated (see appendix 3b) in the adopted Town Centre masterplan, for Torquay, which shows the potential for significant urban renewal and change in the area around Temperance Street, Lower Union Lane and Union Street. It includes the potential for large scale residential development, office and retail space and much better connections for pedestrians between Union Street and the Temperance St / Lower Union Lane area. The Council and TDA continue to explore urban renewal opportunities, working closely with the owners of the former BHS and reviewing development opportunities for Temperance St, for example. This will need large amounts of investment and the scale of change in this area is very much a focus for Phase 2 of the town centre regeneration programme.
- 1.5 The refurbishment of Lower Union Lane MSCP, coupled with improved linkage to Union Street and Union Square from the car park, is an important first phase of the regeneration of the area, as indicated in appendix 3a. The location and capacity of

the car park need better signage; the car itself needs internal refurbishment to ensure a better first experience of Torquay, to better signpost visitors / shoppers to local facilities and to ensure the car park is safe, well-lit and well used. The car park can provide parking for commuters, as well as to shoppers, visitors, local residents and businesses.

- 1.6 The use of part of Upton Place (Torquay Town Hall Car Park), plus the successful delivery of town centre regeneration, will result in growth of demand for parking at Lower Union Lane MSCP. It is important that refurbishment of the Lower Union Lane MSCP takes place in tandem, if not before, the commencement of building work at Upton Place, so that the MSCP is attractive and safe, promoting increased usage.
- 1.7 It is known that an additional 20% growth in parking demand can be accommodated at Lower Union Lane MSCP, which will result in the car park being 90% full on more than 43 days per annum. Parking income is projected to grow by £25,000 per annum. The installation of solar PV on the roof of the car park will not take up any car parking spaces (it will provide a canopy to roof-top spaces), will reduce operating costs of the car park and could provide an annual net surplus of an estimated £7,000. The Council and TDA will continue to investigate and promote development opportunities in the area, the income from which can then be used to repay prudential borrowing and / or support further regeneration activity.
- 1.8 The enhancement of the car park has an estimated cost of £1.7m. This coupled with the £1.8m of repair costs requires an investment of just over £3.5m. The proposal is for the Council to invest up to £3.5m in the refurbishment of this car park. Every effort will be made to reduce this amount, and the annual borrowing costs, by further survey work to establish more precisely the cost of lift repairs and CCTV improvements and further design work to better define refurbishment costs. This borrowing, at £293,183 per annum, over 15 years (to match the predicted lifespan of the building), will be repaid by income from student accommodation at Upton Place (or another project).
- 1.9 Council support for the outline business case and for the Town Centres Regeneration Programme fund will allow detailed survey and design work to be commissioned and a tender process to be undertaken, with a contractor appointed as a result of that. The work on refurbishing the car park will not proceed until the heads of terms and a signed agreement to lease for development at Upton Place have been completed, or another development identified that can cover the cost of prudential borrowing.

## **2. Reasons for Proposal**

- 2.1 The proposal is in accordance with the Council's Policy Framework including the Corporate Plan, Economic Strategy and the Transformation Strategy for Torbay's Town Centres. The proposal will help transform Torquay town centre, as part of a wider place making agenda, which includes change and growth in Torbay.
- 2.2 The proposal will help deliver the Local Plan, Town Centre Masterplans (as adopted Supplementary Planning Documents), the emerging Destination Management Plan and the Great Places project.

- 2.3 The proposal will generate additional footfall and spend in the town centres, with the knock on benefit of attracting further investment.
- 2.4 The proposal will improve the perception and attractiveness of the town centres and will reduce anti-social behaviour, helping to draw in and retain additional visitors.

## Appendices

### Appendix 3a. Extract from the adopted Torquay Town Centre Masterplan

<b>Section 1: Background Information</b>	
<b>1.</b>	<p><b>What is the proposal / issue?</b></p> <p>1.1 Refurbishment of Lower Union Lane Multi-Storey Car Park (MSCP) is one of key projects (including public realm improvements) making up Phase 1 of the Council's Transformation Strategy for Torbay's Town Centres.</p> <p>1.2 This is because the car park is tired, unattractive and feels unsafe. However, given its location, capacity and potential to accommodate growth / changing demand, it is important that the car park provides a good first experience of Torquay / Torbay. Refurbishment of the car park will support comprehensive transformation of the top end of the High Street over the long term and productive / positive use of existing properties, such as BHS, Pearl Assurance House and Argos, in the shorter term.</p> <p>1.3 There is a need for pace in the delivery of town centre regeneration, including refurbishment of this car park, as it is known (e.g. from soft market testing of town centre regeneration programme proposals; from consultation responses to the proposed Destination Management Plan; from community engagement) that such improvements will lead to further confidence and investment, to further footfall and spend in the town centre.</p> <p>1.4 The proposed refurbishment, and the outline business case to support it, has been carefully and fully considered by the Town Centres Regeneration Programme Board.</p>
<b>2.</b>	<p><b>What is the current situation?</b></p> <p>2.1 The Council has approved (April 2017) a Transformation Strategy for Torbay's Town Centres. This proposal, for refurbishment of the Lower Union Lane Multi Storey Car Park, forms part of that strategy.</p> <p>2.2 Whilst a significant amount of work has been done, via the Town Centres Regeneration Programme Board, to design and test the proposed refurbishment, further detailed design and survey work is</p>

	<p>needed over the next two months to ensure cost effectiveness, improvements that meet the needs of all users and deliverability.</p> <p>2.3 Lower Union Lane MSCP is one of the main ‘gateways’ into the upper end of Torquay town centre, for vehicles and pedestrians. At present the car park does not provide a pleasant experience for visitors / shoppers and does not meet its potential in terms of helping to improve footfall and spend in Torquay Town Centre.</p> <p>2.4 The car park not only has the potential to accommodate growth in parking demand, from a range of different users (not just commuters and shoppers), it can also provide better signage and linkage to the High Street and other parts of town.</p> <p>2.5 Refurbishment of the car park will help generate increased use of parking spaces and, as such, increased income.</p>
<p><b>3.</b></p>	<p><b>What options have been considered?</b></p> <p>3.1 The ‘do nothing’ option has been considered, but this would not change the perceptions of the town centre or of the car park; would not result in a better experience for visitors, residents and businesses; would not drive investment and regeneration; and would not resolve the issues outlined in Section 1 of this report.</p> <p>3.2 The Town Centres Regeneration Programme Board and officers have considered comprehensive refurbishment of the car park, including external cladding and a range of cladding options. However, external cladding adds significant extra cost (around £2m), without extending the life of the building significantly. The Programme Board did not consider it prudent to externally clad the building, but further work will explore the potential to paint / treat the outside of the building to extend its life and ensure it is more attractive.</p> <p>3.3 The Town Centres Regeneration Programme Board and officers have also considered use of parts of the building for other uses, including outdoor cinema, children’s soft play park, go-karting, parkour and an ice rink. However, the set up and operational costs of these sorts of facilities outweigh their benefit. Only the use of solar PV on the roof of the car park was considered as an acceptable option.</p>
<p><b>4.</b></p>	<p><b>How does this proposal support the ambitions, principles and delivery of the Corporate Plan 2015-19?</b></p> <p>4.1 Town Centre Regeneration supports the ambition of creating a Prosperous and Healthy Torbay with the creation of vibrant and attractive town centres identified as a specific action in the Delivery Plan for “Working towards a more prosperous Torbay”.</p> <p>4.2 The proposed refurbishment of the car park accords with the Council’s Strategy for Transformation of Town Centres.</p> <p>4.3 The proposal will help deliver the Local Plan, the Economic Strategy, the Culture Strategy (including Great Place work), the Local Transport</p>

	Plan, the adopted town centre masterplans, emerging Neighbourhood Plans and the emerging Destination Management Plan.						
<b>5.</b>	<p><b>Who will be affected by this proposal and who do you need to consult with?</b></p> <p>5.1 The proposal will have a beneficial impact on a range of different users of the car park and Torquay town centre.</p> <p>5.2 The advice of experienced structural engineers / consultants has been commissioned to inform options, design and cost work to date.</p> <p>5.3 The projects have been, and continue to be, informed by engagement with structural engineers, designers, cost consultants and surveyors.</p>						
<b>6.</b>	<p><b>How will you propose to consult?</b></p> <p>6.1 The proposal for this site is included within the Council's Strategy for Transformation of Town Centres. The Strategy flows from the adopted Town Centre Masterplans for Torquay and Paignton, and the concept plan produced by the community for Brixham Town Centre. There has been a huge amount of community and business engagement on all those plans.</p> <p>6.2 There will be engagement with a range of council services and partners, on more detailed design and survey work as it progresses over the next few months, subject to Council support.</p>						
<b>Section 2: Implications and Impact Assessment</b>							
<b>7.</b>	<p><b>What are the financial and legal implications?</b></p> <p>7.1 This project is to be funded from the Town Centres Regeneration Programme fund. The cost of borrowing to fund the refurbishment (assuming an upper limit of £3.5m) is £293,183 per annum. Income from student accommodation at Upton Place can cover the borrowing costs, as well as the borrowing costs for the proposed public realm improvements (see separate appendix). However, it is intended to implement the car park refurbishment ahead of the receipt of income from student accommodation at Upton Place, which places a financial pressure on the Council for 2 – 3 years.</p> <p>7.2 The cost of the repair and enhance of the car park, which collectively make up refurbishment proposals, are as follows:</p> <table border="1" data-bbox="316 1778 1423 2072"> <thead> <tr> <th>Options</th> <th>Detail</th> <th>Cost</th> </tr> </thead> <tbody> <tr> <td>Repairs</td> <td>Bridge to BHS, top deck lighting, safety fencing, lift repairs (£600,000) etc.</td> <td>£1.8m</td> </tr> </tbody> </table>	Options	Detail	Cost	Repairs	Bridge to BHS, top deck lighting, safety fencing, lift repairs (£600,000) etc.	£1.8m
Options	Detail	Cost					
Repairs	Bridge to BHS, top deck lighting, safety fencing, lift repairs (£600,000) etc.	£1.8m					

Enhancements	Repaint, delineate pedestrian route, replace windows, carbonation / corrosion treatment, CCTV (£40-100K), installation of solar PV (£56,000)	£1.7m
<b>Total</b>		<b>£3.5M</b>

7.3 Consultants were commissioned earlier this year to review performance of the car park and propose options for refurbishment and alternative uses. The headlines of that review, on the condition / use of the car park are as follows:

- Coloured parking bays and coloured pedestrian walking zones are provided on the top deck of the car park but not on lower decks where all existing surfacing is of poor quality in terms of appearance. However, there is no issue with the condition or operation of the surface.
- The upper decks of the car park benefit from high levels of natural light, supplemented by internal lighting, in particular where the decks are above the level of the adjacent cliff face. The quality of the natural light deteriorates on the western side as the decks become shaded by the cliff, but the natural light levels are good on the Lower Union Lane side of the Car Park until below the level of the adjacent buildings.
- Lighting has a poor 'feel' to it on the lower floor levels where external light is reduced, particularly on the western side of the car park where daylight is restricted by the adjacent cliff face. This is due to the quality of the internal lighting, which does not appear to be to current standards.
- The car park has an open span design and consequently there are no issues with columns making use of the parking spaces difficult with either manoeuvring into the spaces or physically getting into or out of cars.
- The stairwells within the car park are of particularly low quality, and are not a welcoming environment.
- The cosmetic condition of the windows, stairwell balustrades and wall and floor finishes was poor and needs to be refurbished and modernised.

#### 7.4 Economic Impacts

7.4.1 Refurbishment of the Lower Union Lane MSCP is likely to give rise to:

- Increased footfall and spend in Torquay town centre
- Improved perceptions and experience of Torquay town centre

	<ul style="list-style-type: none"> <li>• Increased investment and confidence in the area</li> <li>• Increased revenue from car parking, from a range of different users</li> <li>• Reduced operational costs, from use of modern materials in the refurbishment and through income from solar PV.</li> </ul> <p>7.5 <u>Social Impacts</u></p> <p>7.5.1 Refurbishment of the Lower Union Lane MSCP is likely to give rise to:</p> <ul style="list-style-type: none"> <li>• Improved safety for users of the car park</li> <li>• Reduced perception of crime / poor safety</li> <li>• Reduced use of the car park for anti-social activities</li> </ul> <p>7.4 <u>Legal Implications</u></p> <p>7.4.1 The TDA, acting on the Council's behalf, will ensure all proper procurement and legal requirements are followed in appointing consultants and contractors, including local labour supply, apprenticeships etc.</p>
<p><b>8.</b></p>	<p><b>What are the risks?</b></p> <p>8.1 A full risk register will be produced as part of the project management process, if the Council supports the recommendations in this report.</p> <p>8.2 There may be some disruption to users of Lower Union Lane MSCP, as a result of refurbishment work, but the existing capacity and partial utilisation of that capacity should allow disruption to be mitigated</p> <p>8.3 There are risks of cost overruns in delivering the work. Responsibility for cost overrun is likely to be assigned to the contractor</p>
<p><b>9.</b></p>	<p><b>Public Services Value (Social Value) Act 2012</b></p> <p>Not applicable.</p>

## Equality Impacts

10	<b>Identify the potential positive and negative impacts on specific groups</b>			
		<b>Positive Impact</b>	<b>Negative Impact &amp; Mitigating Actions</b>	<b>Neutral Impact</b>
	Older or younger people	The economic and social benefits of town centre regeneration are significant and well evidenced such that it is envisaged that there will be a positive benefit for all residents and all those with protected characteristics. This proposal is likely to support investment that will have particular benefits for older people and people with a disability.		
	People with caring Responsibilities	As above		
	People with a disability	As above		
	Women or men	As above		

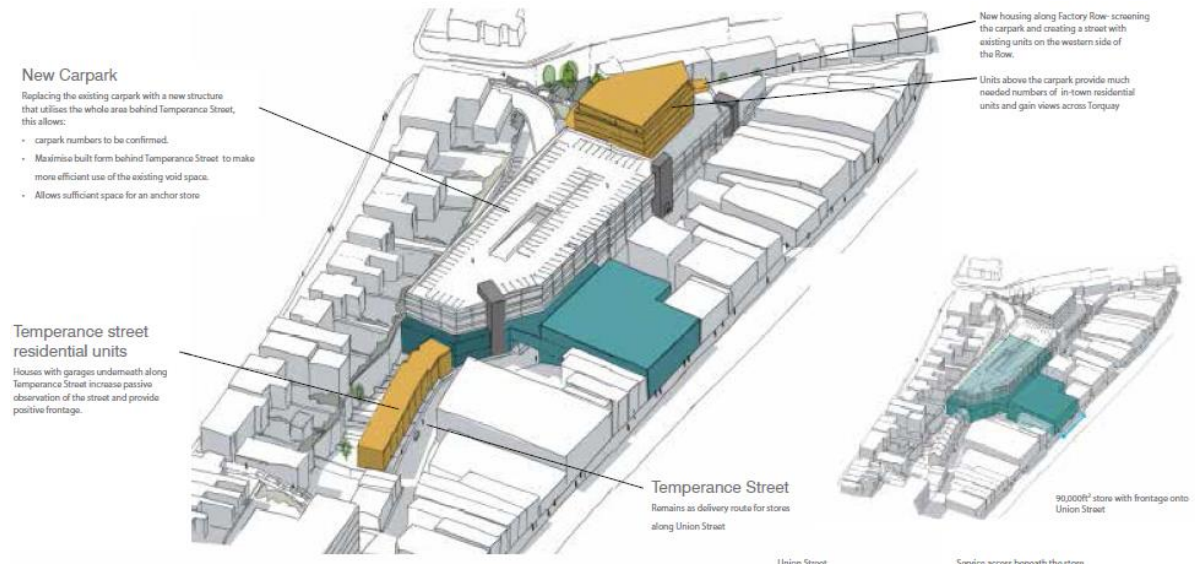


People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i>	As above		
Religion or belief (including lack of belief)	As above		
People who are lesbian, gay or bisexual	As above		
People who are transgendered	As above		
People who are in a marriage or civil partnership	As above		
Women who are pregnant / on maternity leave	As above		
Socio-economic impacts (Including impact on child poverty issues and deprivation)	As above		

	Public Health impacts (How will your proposal impact on the general health of the population of Torbay)	Town centre regeneration will improve the economy of Torbay. Economic prosperity helps create healthier communities and by supporting regeneration projects we will be able to improve health inequalities which currently exist across Torbay. This project will have health, safety and wellbeing benefits to the people that use it.		
14	<b>Cumulative Impacts – Council wide</b> (proposed changes elsewhere which might worsen the impacts identified above)	Town centre regeneration will take account of proposals which are being put forward in relation to integrated transport and other regeneration projects and capital investments to ensure that a coherent approach is taken to creating a prosperous and healthy Torbay. This project will encourage and support investment in Torbay.		
15	<b>Cumulative Impacts – Other public services</b> (proposed changes elsewhere which might worsen the impacts identified above)	Town centre regeneration will take account of issues which positively impact of reducing the amount of crime and disorder therefore making our town centres safer and more attractive places for residents, workers and businesses.		

# Appendix 3a: Extract from adopted Torquay Town Centre Masterplan (2015)

## Option 1:



## OPTION 02

