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# Cabinet



*St Edmundsbury*  
BOROUGH COUNCIL

**Minutes** of an extraordinary meeting of the **Cabinet** held on **Tuesday 17 April 2018 at 6.00 pm** in the **Conference Chamber West, West Suffolk House**, Western Way, Bury St Edmunds IP33 3YU

Present: **Councillors**

**Chairman** John Griffiths (Leader of the Council) (in the Chair)  
**Vice Chairman** Sara Mildmay-White (Deputy Leader)

Carol Bull	Joanna Rayner
Robert Everitt	Peter Stevens
Alaric Pugh	

**In attendance:**

Mike Chester	Clive Pollington
Susan Glossop	

463. **Apologies for Absence**

Apologies for absence were received from Councillor Ian Houlder.

464. **Open Forum**

No non-Cabinet Members in attendance wished to speak under this item.

465. **Public Participation**

The following person had registered to speak under this item:

Sue Munro, of Bury St Edmunds, wished to seek reassurance that the Victorian façade of 17-18 Cornhill would be sufficiently protected, should the decision be taken to redevelop the site.

In response, Councillor Alaric Pugh, Portfolio Holder for Planning and Growth, stated that one of the objectives for the proposed redevelopment of this site was to preserve the frontage of the building. Whilst the building was located in the Bury St Edmunds Town Centre Conservation Area, neither it nor the Victorian façade was listed. Minor modifications may be appropriate in keeping with the façade's historic status; however, recognition was given to protecting its context and impact on the street scene.

466. **Investing in the Regeneration of Bury St Edmunds Town Centre: 17-18 Cornhill**

The Cabinet considered Report No: CAB/SE/18/027, which presented options for the future of the former Post Office building at 17-18 Cornhill, Bury St Edmunds.

The report provided the following key issues which required consideration:

- (a) the project objectives to be achieved for the 17-18 Cornhill site;
- (b) the options available to the Council regarding the future of the site;
- (c) the recommended option to redevelop the site (Option 4).

Members noted the background to the Council's acquisition of 17-18 Cornhill, including that the purchase had accorded with the adopted Local Plan (Vision 2031) and the aspirations of the Bury St Edmunds Town Centre Masterplan.

Since the acquisition in December 2016, the Bury St Edmunds Town Centre Masterplan Advisory Group, which comprised Members (including the Portfolio Holder for Planning and Growth), officers and stakeholders had explored and agreed objectives for the site and these informed future detailed design work. A project team was established to develop the objectives, which included appointing external expertise relative to the project, as set out in Section 1.6 of the report.

A detailed options appraisal was undertaken and this was now presented to the Cabinet for consideration, as summarised in Section 1.8 of the report. The options were:

- Option 1: 'Do nothing'
- Option 2: Resell to the market (following the purchase of the site in December 2016)
- Option 3: Refurbishment of the existing site
- Option 4: Redevelopment of the site

Councillor Alaric Pugh, Portfolio Holder for Planning and Growth, drew relevant issues to the attention of the Cabinet, including reporting the following typographical amendments to the report:

- (a) Recommendation (3), be amended to read:

Approve **£8.4m** ~~£8.24m~~ capital budget (includes £1.68m purchase and redevelopment budget), funded through the Investing in our Growth agenda fund, in line with paragraph 1.9.

- (b) The table shown in paragraph 1.9.2 be amended to the following:

	<b>£</b>
<b>Capital Implications:</b>	
<b>Capital Expenditure:</b>	
Purchase Cost of Building	1,680,000
Capital Cost of Redevelopment (total project cost)	6,720,000
<b>Gross Capital Expenditure</b>	<b>8,400,000</b>
<b>Funded from:</b>	
Capital Receipts - Approved Report No: COU/SE/16/201	( 1,680,000)
Sale of leasehold of residential units	( 3,725,000)
Borrowing	( 2,995,000)
<b>Total Capital Financing</b>	<b>( 8,400,000)</b>
<b>Revenue Implications:</b>	
<b>Borrowing Costs:</b>	
Borrowing costs - Interest @2.75%	82,000
Borrowing costs - MRP over 40 years	74,500
<b>Total Annual Borrowing Costs</b>	<b>156,500</b>
<b>Annual Retail Rental Income</b>	<b>( 156,500)</b>
<b>Annual Net Revenue (Income) / Expenditure</b>	<b>-</b>

Councillor Pugh expressed his full support for Option (4), which was to redevelop the site, which through retaining the front elevation and demolishing the remaining buildings aimed to achieve all objectives set and maximise the potential to deliver wider community benefits. The benefits of this option were summarised in the report.

This option would require a further capital allocation of £6.72m, which if assessed as a financial investment alone, was a breakeven option. (This option assumed the purchase costs of £1.68m which would be funded by capital receipts). However, Members acknowledged the economic, community, social and indirect financial benefits this option would generate for the town, which were all key elements of the West Suffolk Growth Investment Strategy adopted in February 2018. The redevelopment option also linked to the forthcoming proposals for the St Andrews Street redevelopment, which was also a key feature of the aspirations of the Bury St Edmunds Town Centre masterplan.

The Cabinet commended the team of officers and the input of stakeholders of the Bury St Edmunds Town Centre Masterplan Advisory Group for aiming to achieve such an exciting redevelopment scheme which fully met the objectives set for the future of this site.

In response to questions, Members were informed that:

- (a) A full breakdown of the proposed £8.4m budget was present within the project team, however, presently limited in the public domain as some

of the costs involved were commercially sensitive; however Members could be provided with more information prior to consideration at the Council meeting. The financial implications were set out in Section 1.9 and Appendix E of the public report, which included financial assumptions, together with an assessment of the risk associated with these assumptions.

- (b) As detailed further in paragraph 1.9.5, external funding would be sought as the project progressed, as greater cost certainty was beginning to be gained, which could have a positive effect on the project's overall funding.

**RECOMMENDED TO COUNCIL:**

**That:**

- (1) the project objectives set out at paragraph 1.3.1 of Report No: CAB/SE/18/027 for the site, be endorsed;**
- (2) as the preferred option and policy approach, the redevelopment (Option 4) of 17-18 Cornhill, be approved;**
- (3) an £8.4m capital budget (includes £1.68m purchase and redevelopment budget), funded through the Investing in our Growth agenda fund, be approved in line with paragraph 1.9 of Report No: CAB/SE/18/027;**
- (4) it be acknowledged that in line with Recommendations (2) and (3) above, officers will proceed in the development of the site in line with the Council's agreed Scheme of Delegation; and**
- (5) the Council's Section 151 Officer will make the necessary changes to the Council's prudential indicators as a result of Recommendation (3).**

The meeting concluded at 7.03 pm

**Signed by:**

**Chairman**

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