

Agenda Item 75.

TITLE	New Lease to a Cinema Operator on Elms Field Site
FOR CONSIDERATION BY	The Executive on 29 October 2015
WARD	Emmbrook
LEAD OFFICER	Andy Couldrick, Chief Executive
LEAD MEMBER	Philip Mirfin, Executive Member for Regeneration and Communities

OUTCOME / BENEFITS TO THE COMMUNITY

Introduction of a popular leisure operation within Wokingham in line with the aspirations and objectives of the Wokingham Town Centre Masterplan

RECOMMENDATION

The Executive is recommended to:

- 1) agree a Pre-let with the operator identified within Part 2 of the report;
- 2) delegate any further related and subsidiary decisions if required to complete the transaction to the Chief Executive, in conjunction with the Leader and Executive Member for Regeneration.

SUMMARY OF REPORT

The report sets out the reasoning behind the introduction of a cinema to Wokingham town, how it sits within the context of the town centre regeneration and the financial implications associated with the transaction.

Background

Regenerating Wokingham Town Centre is one of the Council's top priorities under the adopted Vision.

The Council has been working with its partners Wilson Bowden and David Wilson Homes to deliver a successful regeneration project across key sites within the town centre. Phase 1 of the regeneration, Peach Place Refurbishment, has been completed and planning consents for both Peach Place redevelopment and the Carnival Pool site have been achieved

The Elms Field site has been re-designed following member/stakeholder/public feedback and is progressing swiftly towards a planning submission in November 2015. Through this process a leisure consultation was organised. The highest response to the question 'what other facilities would you like to be available?' was a cinema at 50%. Delivery of a cinema, apart from providing an offer for all age ranges, will enhance the mix of uses in the scheme, which will include hotel, foodstore and retail units including space for local independent traders and increase footfall within the town. It will also provide a 'pre-let' operator to the scheme which will de-risk the development from our perspective and help encourage other operators, particularly restaurants to locate in Wokingham. Interest has already been expressed by one restaurant chain on the back of this proposal. Discussions with cinema operators identified a very keen interest from the market for a presence in Wokingham.

Analysis of Issues

Due to the commercially sensitive nature of this matter, issues are discussed in part 2 of this report which includes a current credit check of the company

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe financial challenges over the coming years as a result of the austerity measures implemented by the Government and subsequent reductions to public sector funding. It is estimated that Wokingham Borough Council will be required to make budget reductions in excess of £20m over the next three years and all Executive decisions should be made in this context.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	See part 2 report	See part 2 report	See part 2 report
Next Financial Year (Year 2)	See part 2 report	See part 2 report	See part 2 report
Following Financial Year (Year 3)	See part 2 report	See part 2 report	See part 2 report

Other financial information relevant to the Recommendation/Decision

See part 2 report

Cross-Council Implications

Improved and enhanced leisure facilities aligns with the council's Regeneration strategy
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Reasons for considering the report in Part 2

The commerciality of the deal is still in discussion. Disclosure at this point could disadvantage the Council in those negotiations

List of Background Papers

None

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Date 19 October 2015	Version No. 01

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