

Statement by Alex Schlesinger, secretary of Small Business Focus, to the B&NES Council Cabinet. on 8th May 2013

COLONNADES AND UNDERCROFT DEVELOPMENT PROPOSALS.

The Reports E2523 and the associated Report on Viability prepared for this B&NES Cabinet meeting, both leave us with as many questions as answers.

In the Report, E2523. Section 2.4, it is noted that the whole scheme depends on a pre-let, before even construction begins. This implies that all nett costings must presently be regarded as conjectural.

Section 2.5 discusses letting to an operator, but at present even the extent of the area of letting is open to question.

Section 3.1 states that the income shall be used to offset the cost of the Guildhall Economic Hub, but this was originally meant to be self funding.

Section 5.2 states that the scheme is only viable in four phases, but Phase 2, for the market, is not costed.

Section 5.3 lists the bodies that are supposed to have given support to the project: including the market traders. However, they have expressed to me their considerable concerns, and these were voiced at the meeting with councillors on the 8th of May.

Section 5.4 states that the scheme has been discussed with the Environmental Agency, particularly in respect of flooding. Document E2523 does not tell us what they said.

Section 5.7 notes that a pre-let agreement, which is essential to the scheme, will be engaged in Spring 2014: but we have already been told that the a market operator will be engaged in September 2013. So will the market operator be engaged irrespective of the rest of the scheme?

Section 6.2 Deals with Risk. However Item 2 of the section does not give the possible impact of failure to let, whilst Item 4 does not give the outcomes of structural questions. In other words structural surveys have not been conducted or have not been conclusive.

Item 10 deals with consultation. Conspicuous by its absence is any result of consultation with the general public who use the market on a regular basis.

Your report notes that twenty five of the Market Tenancies are protected by the Landlord and Tenant Act 1954. The professional opinion I have received today from a commercial estate agent is that the Act gives no protection where a redevelopment is proposed.

The Development Appraisal gives the conjectured income as £300,000 p.a.

However, your report E2523 puts the nett income as between £86,000 and £206,000.

There are a few more general questions that I would like you to consider.

- What city wide consultation has there been for this proposal?
- When the council hands over to a full profit-making operator, what guarantee can they give that the management policy of the market will remain under the control of the council?
- What guarantee can they give that Guildhall Market rents will not be allowed to spiral to the point where the existing traders selling useful goods are forced out?
- What guarantee can the council give that disturbance to the market traders and the public will be kept to a minimum?
- The project title is: *Grand Parade and Undercroft*. Why has the Guildhall Market been omitted from the title of official document E2523?
- Is it the intention of the council to allow the developer to use the vacated market hall as a secure and covered builders` yard during the development?
- Bearing in mind the enhanced risk of flooding of the colonnade and undercroft: will the council indemnify the operator and the tenants in case of flood?

Having read the proposals and predicted outcomes as laid out in the two documents currently under consideration; I must tell you that if the council accepts these two items as presently drawn up, you will be, ladies and gentlemen: *hostages to fortune*.

Alex Schlesinger. Secretary, Hon. Small Business Focus.

Bath 8th May 2013.