

Bath & North East Somerset Council

MEETING/ DECISION MAKER:	Cllr Paul Roper, Cabinet Member for Economic and Cultural Sustainable Development	
MEETING/ DECISION DATE:	On or after 16th August	EXECUTIVE FORWARD PLAN REFERENCE:
		E 3618
TITLE:	Keynsham Regeneration Action Plan Delivery: Keynsham Riverside & Temple Street Vacant Units Refurbishment	
WARD:	Keynsham North, East & South	
AN OPEN PUBLIC ITEM		
List of attachments to this report: Appendix 1: Summary of Proposals for Keynsham & Temple Street Riverside Vacant Units Refurbishment		

1 THE ISSUE

This report seeks approval to proceed with the refurbishment of long-term vacant ground floor commercial units at Temple Street and Riverside Terrace in Keynsham. The project will bring approximately 10,000 ft² of employment space back into use, supporting economic regeneration, reducing vacancy, and contributing to the Council's climate and ecological goals.

2 RECOMMENDATION

The Cabinet member is asked;

2.1 To delegate approval to the Director of Sustainable Communities, in consultation with the s151 officer, to accept £690k Investment Fund capital grant from the West of England Mayoral Combined Authority to support the delivery of the Keynsham Riverside Vacant Units Refurbishment.

2.2 To fully approve capital expenditure of £2.34m to deliver the Keynsham Riverside Vacant Units Refurbishment, to allow the project to proceed to delivery on site. Including the WECA grant above, the balance being from Council service supported borrowing from Commercial Estate Refurbishment, repayable from revenue income generated.

3 THE REPORT

- 3.1 The Keynsham Riverside & Temple Street Vacant Units Redevelopment project will bring approximately 10,000 ft² of Council owned long-term vacant commercial space back into productive use. These units, located beneath residential accommodation and adjacent to Keynsham Leisure Centre, have remained empty for nearly a decade due to the high cost of refurbishment.
- 3.2 This is a priority project of the draft Keynsham Regeneration Action Plan and aligns with the Council's Economic Strategy, Local Plan, and Climate Emergency commitments. It builds on previous interventions in the area, including public realm improvements, the High Street Heritage Action Zone, and the Shopfront Improvement Scheme.
- 3.3 Following a market-led redesign process, the units are now being repurposed for a mix of leisure, wellbeing, and community uses. Two tenants — a Dance School and a Pilates Studio — are signing agreements for lease, with a third (a family café) in advanced negotiations. The fourth unit has attracted strong interest from different gym operators. The flexible design of the units allows for future subdivision and adaptation to meet tenant needs.
- 3.4 The scheme is expected to achieve an EPC rating of B or higher, significantly improving energy performance and reducing carbon emissions by up to 46%. The project also supports the activation of Riverside Terrace, an under-utilised public space, and will enhance the vibrancy and safety of Temple Street.
- 3.5 The project has undergone extensive design, cost planning, and risk assessment. All necessary planning permissions and building regulation sign offs are in place, and procurement is ready to proceed. The Council is now seeking approval to move to the construction phase and to secure the full benefit of a £690,000 West of England Mayoral Combined Authority grant.

4 STATUTORY CONSIDERATIONS

- 4.1 The Council's Corporate Strategy 2023 – 2027 outlines the council's plans to tackling the climate and ecological emergency. This project will deliver on the commitment to lead the UK in climate and nature actions through fabric improvements that boost environmental performance.
- 4.2 Planning permission was approved under 22/02823/FUL and 25/00674/NMA, the first of the smaller units has already been refurbished under a previous grant scheme and it is now occupied.
- 4.3 Building Control consultations have been undertaken over the course of RIBA stage 4, and all queries have been resolved.
- 4.4 The Economic Strategy for Bath and North East Somerset 2024-2034 – This project provides opportunities for economic growth through new commercial space for up to four local business to thrive.

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 5.1 The total project cost is £2.34 million, a combination of West of England Mayoral Combined Authority grant funding (£690,000) and with the balance being from Council service supported borrowing from Commercial Estate Refurbishment,

repayable from revenue income generated. Once complete, the scheme is projected to generate over £94,000 new annual rental income.

- 5.2 Extensive financial modelling indicates that although the scheme will generate an initial loss, full tenant occupancy from year three. The scheme will also generate on-going savings through transfer of void costs.
- 5.3 Officer time has been allocated across the Regeneration and Capital Delivery teams through to March 2026 to support the successful on-site delivery of this project.
- 5.4 Approximately £150,000 has already been spent on the project through internal and external fees to progress to RIBA Stage 5.

6 RISK MANAGEMENT

- 6.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision-making risk management guidance.
- 6.2 Key risks include construction complexity and tenant interest. All of which have been mitigated through surveys, flexible design, and active marketing.

7 EQUALITIES

- 7.1 Accessibility improvements are integrated into the design which include facilitating disabled accessibility and accessible WCs. An EIA was carried out as part of the Keynsham Regeneration Action Plan of which this project is a priority project identified.

8 CLIMATE CHANGE

- 8.1 The scheme includes significant energy efficiency upgrades including replacement of existing shop front glazing and it also brings existing void assets back into active use. As part of the tender evaluation process, all bidding contractors were asked to explain their contributions to the council's carbon zero targets, and this was part of the tender evaluation process.

9 OTHER OPTIONS CONSIDERED

- 9.1 Do Nothing - This option would result in the continued vacancy of the units, which have already remained unoccupied for nearly a decade. This would:
 - Forfeit the £690,000 West of England MCA grant, of which approximately £150,000 has already been spent.
 - Result in ongoing void costs of approximately £74,000 per year (business rates, maintenance, and utilities).
 - Miss the opportunity to support new business in Keynsham, improved footfall, and boost to local economy.
 - Undermine the Council's regeneration objectives for Keynsham and risk reputational damage with funding partners.

- Risk of continued anti-social behaviour around the vacant units due to lack of activity and surveillance.

9.2 Sell the Units - Disposal of the units was considered but rejected due to:

- The strategic location of the units within the town centre and their importance to the Council's long-term regeneration plans.
- The potential loss of control over future uses, which could undermine the Council's climate, economic, and community objectives.
- The current market value being unlikely to reflect the long-term social and economic value of retaining and activating the space.

9.3 Reduce Specification to Lower Costs - A lower-specification refurbishment was considered, particularly for the Riverside unit. However, this would:

- Compromise the energy performance and climate objectives of the scheme.
- Undermine the appeal to high-quality tenants, particularly those requiring acoustic treatment (e.g. the Dance School).
- Risk future retrofit costs and reduce the long-term value and flexibility of the asset.

9.4 The preferred option — refurbishing both units to a high standard — offers the best balance of financial return, community benefit, and alignment with strategic objectives. It maximises the use of secured grant funding, supports local economic growth, and ensures long-term sustainability of the Council's commercial estate.

10 CONSULTATION

10.1 The project has been developed through extensive internal and external consultation, including:

- Internal stakeholders: Regeneration, Capital Delivery, Corporate Estates, Finance, Procurement, and Communications teams.
- External stakeholders: West of England Mayoral Combined Authority, Keynsham Town Council, adjacent businesses, residents above the units, and prospective tenants.
- Community engagement: The project is a priority project within the draft Keynsham Town Centre Regeneration Action Plan; it received strong public support — 88% of 446 consultation respondents supported repurposing these vacant units (83% of survey respondents were Keynsham residents).

10.2 A structured communications strategy is in place, including press releases, social media, and direct updates to residents and businesses. During construction there will be monthly updates to senior council officers, ward councillors, and stakeholders; shopfront posters; and a project FAQ webpage. At completion there will be a final press release and community newsletter.

Contact person	Cleo Newcombe-Jones, Sustainable Places & Regeneration Service Manager Rebecca Welford, Development Officer, Sustainable Places & Regeneration Team
Background papers	Draft Keynsham Town Centre Regeneration Action Plan: https://bathnesplaces.co.uk/regen/files/Keynsham%20AP%20Draft%20250521.pdf
Please contact the report author if you need to access this report in an alternative format	