

Newberries Car Park Development

Briefing Note for the
Aldenham Parish Council AGM

9 March 2016



The council has made the decision in principle to proceed with plans to develop an 80-bedroom hotel and retail store on the site of Radlett's Newberries Car Park, whilst retaining the current level of parking spaces.

The scheme, which was unanimously agreed at a full council meeting in January, approved moving from the outline design to planning application stage.

If planning permission is obtained the council has agreed to progress to tender and award stage, subject to an 'agreement to lease' being in place with proposed operators.

The proposed development has two key benefits. Firstly it will promote economic regeneration through the creation of jobs within the borough and boost the local economy in Radlett. The proposed hotel will not have catering facilities, so hotel guests will be using the local shops, bars, restaurants and other facilities.

It is estimated that the development will create a combination of 85 locally employed full and part time jobs. Operators quote expenditure figures of between £20 - £36 per person on local goods and services. Based on 80 beds x average number of rooms sold (80%) the development will add £1 million to the Radlett economy.

Secondly the investment will provide income to the council and allow it to protect valued services. In this way all residents of the borough will benefit. The government's proposals to remove grant funding over the next four years mean the council needs to review all its assets in a commercial and entrepreneurial manner in order to provide future revenue.

The projected return on investment is expected to be 7% and for the council to receive a contribution to the General Fund of at least £160,000 in year 2, and by year 25 it will amount to £1.2 million.

There have been several proposals for the development of Newberries Car Park over the years and a previously commissioned report by Price Waterhouse Cooper identified the site's potential for income generation and efficiency gains.

As agreed with the Parish Council the final scheme will retain the current level of parking. Additional spaces will be generated on the upper level and these will be used to service the retail space. The development will be phased where feasible to minimise disruption to parking and traffic during the construction phase. A review of the parking strategy for the area will be carried out to see if the current position can be improved for residents and businesses.

By developing the site itself rather than leasing it to an investment company or developer, the council will be able to retain control over the development, the operators selected and maximise the return for the council and its residents.

The potential operators consider the attractive village of Radlett with its character and charm to be an ideal location due to its broad range of shops, restaurants and theatre. This is combined with its proximity to the M25, M1 and A1, its rail station and excellent travel links to London. All of the potential operators who have expressed interest have identified Radlett as a target area for their business and will have carried out sufficient research to satisfy themselves of the financial viability of the project before entering in to any agreement to lease and the development will only progress subject to these agreements.

In addition, the project can only proceed if it receives planning permission and tendered costs for construction come in on target.

The scheme will be progressing towards planning application stage but there are many hurdles to overcome before it gets to a submission of a planning application. If and when it progresses to this stage residents will have their opportunity to comment through the planning consultation process.

Frequently Asked Questions

Why build a hotel in Radlett?

Several operators have expressed an interest in the site. All of them consider the attractive village of Radlett with its character and charm to be an ideal location due to its broad range of shops, restaurants and theatre. This is combined with its proximity to the M25, M1 and A1, its rail station and excellent travel links to London. All of the potential operators who have expressed interest have identified Radlett as a target area for their business and will have carried out sufficient research to satisfy themselves of the financial viability of the project before entering in to any agreement to lease and the development will only progress subject to these agreements.

Why does the council want to run a hotel?

The council will not be running the hotel. The council will own the building and will lease it to a hotel operator over a long period, expected 25 years. The council will be the landlord of the site and will only progress with the site after entering into an agreement to lease.

Who wants to come to Radlett?

Radlett village is an attractive location but the main draw will be the close proximity to the M25, M1 and A1, its rail station and excellent travel links to London. The operators will be marketing this as an alternative to staying in Central London.

There are already several hotels in the area.

The Radlett site will be rare if not unique in being within walking distance of a station into London. The Borehamwood hotels are already seen as edge of London but being in Elstree Way are up to 20 mins walk from the station. The Radlett Hotel will be more attractive to London visitors who want to drive, park and rail in.

Parking is already a problem in Radlett. Won't this make it worse?

Hertsmere has committed to the Parish Council that the number of parking spaces at 216 in Newberries Car Park will remain the same. The ground floor will be reconfigured or extended to ensure the spaces lost by the pillars, will be replaced. Additional spaces will be created on the upper floor and these will be used for the retail customers. Hertsmere has also undertaken to review the parking strategy for Radlett as a whole to see if the current position can be improved.

The site will attract additional traffic.

As part of the planning application Hertsmere is producing an analysis of the traffic implications. More detail on the traffic implications will be available as part of the planning application.

Hertsmere's planning department knew nothing of this development.

The planning application has not been submitted. Hertsmere is preparing its submission to the planning department. The application is scheduled for early summer.