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**To: Business, Economy and Enterprise Scrutiny Board**

**Date: 12<sup>th</sup> October 2016**

**Subject: Friargate Progress**

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**1 Purpose of the Note**

- 1.1 To update members of the Business, Economy and Enterprise Scrutiny Board on progress on the Friargate Development

**2 Recommendations**

- 2.1 The Business, Economy and Enterprise Board is recommended to:
- 1) Consider the content of the briefing note and note progress made to date
  - 2) Identify any recommendations to the appropriate Cabinet Member

**3 Information/Background**

- 3.1 On 25 June 2013 Council approved that the organisation support the development of the Friargate Business District to regenerate the City, transform the Council and deliver savings by the construction of a new Council owned office building at Friargate, the construction of a new bridge deck, the rationalisation of its operational property estate and the subsequent disposal of property assets vacated through such rationalisation.
- 3.2 Since this time the Friargate development has achieved the following milestones:
- Construction of CCC building 1 has commenced with an estimated completion date of mid-2017.
  - Highway works to junction 6 complete
  - The boulevard linking the station to city centre is completed.
  - Heatline connection to Friargate underway
  - Demolition/clearance of site completed
  - Planning permission granted on building 2
  - Discussions with RICS around pre-let of building 2 on-going.
  - Further discussions with further office occupiers [and hotel operators] underway.
  - Discussions on securing of £50m of commitment from Combined Authority to allow development of buildings 2/3 to expedite development
  - Sale of Civic Centre 1-4, Elm Bank and vacation of West Orchards House.
  - Should this scheme be fully developed it is likely to produce a business rates income of circa 23 million per annum.