



**Title of Meeting:** Cabinet Member for Planning, Regeneration and Economic Development

**Date of Meeting:** 4 September 2018

**Subject:** Demolition of Drift in the City

**Report by:** Assistant Director City Development

**Ward affected:** Charles Dickens

**Key decision (over £250k):** Yes

**Full Council Decision:** No

---

## **1. Purpose of report**

- 1.1 The purpose of the report is to seek authority to demolish the Drift in the City Bar to establish a more unified space in Isambard Brunel Road that more effectively links Commercial Road, the railway station, Guildhall Square and Victoria Park and enhances the environment for pedestrians as well as providing a more appropriate setting for the city's Grade II\* listed Cenotaph and War Memorial as part of the cultural regeneration of this part of the city centre.

## **2. Recommendation**

- 2.1 That the Portfolio Holder for PRED agrees to the demolition of the Drift in the City building and the implementation of a public realm improvement scheme for the area as outlined.

## **3. Background**

- 3.1 The site is identified as part of the Guildhall area in the 2013 City Centre Masterplan SPD. The Masterplan SPD sets out three key objectives that underpin the document:
- To promote the important role that the different areas of the city centre play in the city's economy by identifying different development opportunities that make best use of land and buildings, and encourage

a mix of uses that create a vibrant city centre that is safe and well used by everyone at all times of day and into the evening

- To ensure that the design of new buildings and spaces is distinctive and of a high architectural quality and respects the city's heritage assets
- To enhance the public realm to create a safe, high quality welcoming, distinctive and attractive space and streets that are accessible for all users and is easy to get around by identifying straightforward and legible routes within and from these areas and to other parts of the city

3.2 The SPD area framework seeks to address the following key issues:

- Attracting and accommodating a mix of vibrant uses
- Establishing character and identity by a robust and flexible built form
- Creating an attractive public realm and
- Enhancing transport and access by all modes of travel

3.3 The SPD re-enforces the point that public realm will play a large part in the success of the city centre, adding value and underpinning investment.

3.4 The Drift in the City site sits within The Guildhall Area one of three character areas within the SPD. Figure 7 identifies the development opportunities and public realm improvements in the Guildhall area this is appended to the report as Appendix A.

3.5 The Drift in the City together with the adjoining buildings (2-10 Isambard Brunel Road) are identified as Site 12. The document describes how the site is prominently located adjoining Guildhall Square, the War Memorial and entrance to Victoria Park and Isambard Brunel Road and occupied by Drift in the City together with adjoining buildings. It acknowledges that a pedestrian walkway gives access to the War Memorial and Victoria Park but comments that the existing development provides a poor setting for the War Memorial and park entrance with blank elevations and refuse storage areas addressing the space.

3.6 The SPD describes how the overall development is tired and dated and contributes little to character of the Guildhall Area particularly as it overlooks the main route to the railway station a key gateway.

3.7 Site 12 is identified as a development aspiration and an opportunity to establish a more distinctive, city scale development in a prominent location on the northern part of the wider site as well as strengthening the Isambard Brunel Road frontage providing a stronger setting for the War Memorial and Victoria Park entrance. Chapter 5 of the SPD Isambard Brunel Place further describes the public realm improvements that could be achieved by the removal of the Drift in the City in summary the intention is to:

- Establish a more unified space in the part of Isambard Brunel Road that more effectively links the railway station to Guildhall Square and enhances the pedestrian environment;

- Enlarge the public realm forming 'Isambard Place' to establish a more generously proportioned pedestrian route from the rail station to Guildhall Square;
  - Enhance footways through to Greetham Street comprising; widening the footways, coordinating surfacing materials, tree planting and removal of the existing underpass replacing it with a surface crossing.
- 3.8 As developers began to come forward to develop The Chaucer House site, and the site opposite the Station further more detailed work led by the Council to identify public realm improvements within Isambard Brunel Road. This included each developer carrying out comprehensive improvements to the public realm within the area occupied by them. The work that Unite has already carried out on the Chaucer House development includes the removal of the bus lane adjacent to the development and its inclusion into the public realm to create the boulevard feature.
- 3.9 Whilst individual developers will carry out and fund works to the public realm within each development there remains the opportunity to significantly improve the rest of the public realm within the area and as part of the 2017/2018 budget setting capital funding was given to public realm improvements in Isambard Brunel Road. It was acknowledged that the improvements would be carried out across a number of years and tie in with other developments happening in and around the area. This is the first scheme that will be delivered through this capital fund.
- 3.10 The Chaucer development is now close to completion and it is therefore considered appropriate to look at the area around this development to consider what public realm improvements the City should now implement based on the aspirations it has already adopted in the City Centre SPD and the capital funding set aside for public realm improvements within this area.
- 3.11 The property has stood vacant for a number of years, there have been recent attempts to rent the property with initial interest shown from three different parties. However in each case following further exploration the parties felt that there was too much cost involved or that the premises did not meet their needs. So other than a temporary use as a leisure attraction for a six month period there has been and remains no end user for the site. The Assistant Direct, Property & Investment has confirmed that the market value of the asset in its current state is around £300,000 to £400,000, and if refurbished in excess of £800K. It is estimated that an initial investment of circa £300K is required to put the property into an attractive lettable state.
- 3.12 Whilst it has been confirmed that there is a value of at least £300,000 as set out the retention of the building does not enhance or make a positive contribution to the area if the building is retained it will continue to make less than a positive contribution to the overall appearance of the area and not achieve the planning and regeneration objectives set out in the City Centre

Masterplan. Further the retention the building significantly constrains any redevelopment opportunity of the wider site.

- 3.13 The overall cost of demolition is in the region of £35,000 the cost of the public realm improvements are costed in the region of £120,000.
- 3.14 The Guildhall area is a key part of the city centre providing a mix of cultural and leisure offers. This important improvement in the public realm would play a significant role contributing to the improvements to the public realm that have and will further happen as part of the development schemes within the area that have planning permission.
- 3.15 Further the removal of the building would significantly improve and enhance the setting of the Cenotaph & War Memorial which are Grade 2\* listed and enables the creation of a memorial square as well as improving the visual and physical access to Victoria Park which is also listed. Creating a new setting for and improving the public views of these heritage assets will play an important role in the culture regeneration of this area.

#### **4 Reasons for recommendations**

- 4.1 The removal of the Drift in the City building provides an opportunity to establish a more unified space in Isambard Brunel Road and enhances the pedestrian environment as well as providing a more appropriate setting for the city's Grade II\* listed Cenotaph and War Memorial.
- 4.2 The investment in this key part of the city centre is seen as a further step in the regeneration of this part of the city centre.

#### **5. Equality impact assessment (EIA)**

- 5.1 A full Equality Impact Assessment (EIA) has been carried out on the City Centre Masterplan EIA. As the demolition of Drift in the City is promoted within the SPD no further EIA is considered necessary for the demolition of the building.

#### **6. Legal Implications**

- 6.1 Legal Services advised that a view be sought on the valuation of the land in light of the proposed demolition and that Member approval is sought for the demolition due to the complexities of valuation of such an asset. Legal Services note the Director of Finance's comments.

## **7. Director of Finance's comments**

- 7.1 The cost to demolish the former Drift Bar site and to carry out reinstatement works is estimated to be £155,000. The Council approved an amount of £500,000 in the Capital Programme for City Centre Public Realm improvements in February 2018, this budget will be used to fund these works.
- 7.2 As mentioned in the main body of the report the site could yield an annual rental income of £65,000 to £75,000, however in order to realise this income the Council would need to spend £300,000 to make the building attractive to tenants. The Council would also need to offer a rent free period before actually realising any of this income.
- 7.3 The former Drift bar is an asset held as part of the City Council's Investment Property Portfolio. The Council have failed to rent this property for a number of years but the Service have been able to achieve the cash limited income budget without renting this property, therefore if the building were to be demolished the Council would not need to seek additional income to replace this income in order to meet its cash limited budget.
- 7.4 The value of the Freehold for this building if improvement works of £300,000 were carried out would be £800,000, without these works the site is valued at £300,000 - £400,000. Demolition of this building means that Council will be demolishing an asset with an estimated market value of £300,000.
- 7.5 Once the building has been demolished and public realm improvements have been made there is an opportunity that income could be made from concessions at this site.

.....  
Signed by:

**Appendices:** Plans of site

## **Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
City Centre Masterplan SPD	City Development <a href="http://www.portsmouth.gov.uk/ext/development-and-planning/planning/city-centre-masterplan">//www.portsmouth.gov.uk/ext/development-and-planning/planning/city-centre-masterplan</a>

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by ..... on 4 September 2018

.....  
Signed by:  
**Cabinet Member for Planning, Regeneration and Economic Development**