

REGENERATION COMMUNITY AND CULTURE OVERVIEW AND SCRUTINY COMMITTEE

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STROOD IMPACT STUDY

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Summary

A study was commissioned by Medway Council and published in January 2008 to consider the economic impact of the Council's relocation of its civic headquarters from Strood Town Centre to Gun Wharf in Chatham. This report summarises the conclusions of the study.

1. Budget and Policy Framework

- 1.1 Under Chapter 4 Rules, Part 5, paragraph 8 of the Constitution, each Overview and Scrutiny Committee is responsible for setting its work programme and in paragraph 22.1 to consider any matter affecting the area or its inhabitants.
- 1.2 There are no implications contained in this report to the current Budget and Policy Framework.

2. Background

- 2.1 A decision was taken by Council on 14 June 2007 to relocate the majority of its administrative functions to a new civic headquarters at Gun Wharf in Chatham. The principal reasons for this decision were to:
 - Reduce overheads
 - Create one main council location, offering more integrated services
 - Rationalise the property portfolio

- Promote cultural change within and around the provision of its services by staff, improving communications and breaking down the barriers between departments.
 - Provide a civic heart for Medway to be proud of.
- 2.2 An additional recommendation was made to conduct an economic impact study on the short and longer-term effects on Strood of the closure of the Civic Centre. Consultancy firm Colin Buchanan Associates was appointed to undertake this piece of work after a short tender competition.
- 2.3 The study investigated the economic impact of the Civic Centre's relocation on Strood as a commercial centre. This included the loss of expenditure by the council, its employees and visitors in Strood and the loss of parking at the Civic Centre (once the current site is redeveloped); The effect of the move to Gun Wharf on council employees and their travel to work was also investigated.

3. Advice and analysis

3.1 The key conclusions of the report were:

- 3.1.1 The relocation of the Civic Centre is expected to cause a small loss in expenditure in Strood (up to 0.76% of annual retail expenditure) until the redevelopment of the Civic Centre site is complete. Once redeveloped, employee expenditure (from new companies based on the site) is expected to increase significantly. The study concludes that this effect, coupled with image and wider regeneration boosts to Strood, presents significant positive long-term impact for Strood.
- 3.1.2 Strood is served very well in terms of parking provision with 275 parking places (excluding Civic Centre and other private parking facilities). The study concluded that the loss of Civic Centre parking would have no negative effect on the commercial viability of Strood centre.
- 3.1.3 The effect of the move on council employees and their travel to work was also investigated. The majority of employees who commuted by bus to the Civic Centre in Strood would find no hardship in commuting by bus to Gun Wharf, and Chatham provides access to a more expansive network of bus routes. There is no evidence of any staff resignations as a result of the relocation to Gun Wharf.
- 3.2 In addition to the impact study, there is clear evidence that Strood continues to thrive. The Matalan store has been rebuilt and recently reopened, Netto is scheduled to open in December and it is expected that another major high street retailer will open in the other half of the former Safeway store. In addition the council has operated a successful market in Strood since August 2007 and it continues to grow in popularity.

4. Consultation

- 4.1 Members of Medway Council were fully consulted on all the proposals, including a visit to Gun Wharf on 13 June 2007. A cross-party Civic Centre Headquarters task group was set up by the Business Support Overview and Scrutiny Committee to oversee the arrangements for the move and disposal of various properties and equipment.
- 4.2 The Town Centre Manager for Strood and Rainham designed a questionnaire that was sent out to Civic Centre staff with a view to understanding their daily retail usage of Strood Town centre. This survey research is included in Table 4.1 of the consultant's Impact Study in Appendix A.
- 4.3 A survey of town centre users (members of the public using services located at the Civic Centre) was also conducted, the results of which are included in section 4.3 of the consultant's Impact Study in Appendix A.
- 4.4 The results of the survey are on the agenda for the Strood Town Centre Forum meeting scheduled for 26th January 2009.

5. Financial and legal implications

- 5.1 There are no financial and legal implications arising from this report above those already mentioned.

6. Recommendations

- 6.1 Members consider the report and the outcome of the study.

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Background papers

Council report – “Civic Headquarters Addendum Report” – 14 June 2007

Strood Town Centre - Civic Centre Relocation Impact Study, February 2008,
Colin Buchanan Associates