

News

9.12.16

Work to start on Colwyn Bay development following funding deal

Work is set to start on a new civic building in Colwyn Bay town centre, North Wales, following a £39 million deal between Muse Developments and M&G Investments (“M&G”) to fund the development.

The finance, provided by M&G’s pension fund clients, enables the development of a new four-storey, BREEAM Excellent, c. 100,000 sq ft office building for Conwy County Borough Council, which will accommodate around 750 staff and replace up to thirteen existing offices.

The scheme will contribute to the Council’s continued regeneration of the town, having already invested over £50 million in recent years for the modernisation of the promenade, extensive coastal defences incorporating a new beach and redevelopment of the stadium at Parc Eirias to provide an international sports and events facility.

Regeneration specialist and national developer, Muse, gained planning approval for the project in August this year. Muse was selected as the Council’s preferred development partner in September 2015 following a competitive procurement process.

Contractors, Bowmer & Kirkland, are now on site and work to demolish the existing buildings will start in mid-December to make way for the new development. AHR are the architects for the scheme.

Construction is scheduled to start during Spring 2017, with completion expected in Autumn 2018. Once complete, a 40-year lease will be initiated between M&G and the Council.

Wes Erlam, development director at Muse, said: “This is a great deal for Colwyn Bay, with tens of millions set to be invested into the ongoing regeneration of the town. We’re working with Conwy Council to deliver this important development which will help them to operate more efficiently and reduce their carbon footprint by bringing a number of key services together into one energy-efficient and accessible building.”

Shailendra Shah, Investment Director within M&G Real Estate’s long lease property team, says: “This structure enables Conwy County Borough Council to fund its investment in local infrastructure and continue its regeneration plans. This is a sustainable and long-term approach for financing local needs.

“These investments help to meet the demand from pension funds and other institutional investors for security with long term income that increases in line with inflation. This approach brings benefits for local councils, residents and for ordinary savers through the sustainable long-term returns generated for their pension funds.”

Cllr Dilwyn Roberts, Leader of Conwy County Borough Council, said: “This new office building will not only help to streamline our office accommodation, but it’s also a key part of our regeneration programme in Colwyn Bay - bringing people into the heart of a town brings vitality, footfall and spend.”

The new development is a key part of the Council’s wider strategy to regenerate Colwyn Bay town centre. The second phase includes plans to redevelop an existing Grade II Listed civic building to

the east of the town.