

**NORTH SOMERSET COUNCIL
DECISION**

DECISION OF THE EXECUTIVE MEMBER FOR HR, ASSET MANAGEMENT, CAPITAL PROGRAMME & TRANSFORMATION PROGRAMME WITH ADVICE FROM THE SECTION 151 OFFICER OF THE COUNCIL, CORPORATE SERVICES DIRECTORATE

**DECISION NO: CSD118****SUBJECT: THE TOWN CENTRE REGENERATION AND INVESTMENT PROGRAMME
– LOCKING ROAD CAR PARK****BACKGROUND:**

The Council, at its meeting on the 16th February 2016, resolved that the freehold interest in Locking Road Car Park be transferred to the Homes and Communities Agency (HCA) with final details, including the purchase price, being delegated for approval to the Executive Member.

The final agreements have subsequently been agreed with the HCA as follows:

1. The purchase price to be £2.5m plus an overage arrangement detailed below
2. The transfer to complete before the end of March 2016
3. The HCA will grant an immediate lease back to the Council for up to 5 years at a peppercorn rent with the Council responsible for the ongoing operation and management of the car park. The Council will keep any receipts from the car park but will be responsible for all outgoings.
4. The HCA and the Council will enter into a Collaboration Agreement to document how the existing uses will be managed, how the regeneration of the site will be achieved and how any eventual proceeds of any development/disposal might be shared. Details of this Collaboration Agreement include:
 - a. The HCA and the Council will work together to reach agreement as to how the existing uses of the site might be managed/dealt with once development commences. The existing uses include the long stay car park, staff car parking, coach parking, coach drop-off/pick-up, lorry parking and public conveniences.
 - b. Agreement that the Masterplan for the site must be agreed with/approved by the Council and must be in line with the Council's Prospectus for Change for the Town, the Council's Strategic Masterplan for the Town and all Site Briefs/Delivery Plans and Topic Papers arising from the LDA commission.
 - c. Agreement that any Development Agreement entered into between the HCA and an eventual Developer must be agreed/approved by the Council. Such Development Agreement is to contain suitable controls to ensure that development is delivered in line with the approved Masterplan particularly with regard to quality, uses, tenures etc.

- d. Agreement as to the amount of investment that the Council will put into the preparatory costs to get the site ready for development. These costs will include master planning , site investigations, surveys, remediation strategy etc. with a maximum commitment from the Council to invest £500,000
 - e. A mechanism for initial recovery by the HCA and the Council of their respective investments from any eventual sales receipt from disposal of the site to a developer on a pro-rata basis based on the level of investment made by each party including the site preparatory costs.
 - f. A mechanism for sharing any overage after repayment of each party's investment on a 50/50 basis.
5. The Council will be granted a call option which will give the Council the right to buy back the site at the same price as the HCA will have paid, i.e. £2.5m, in two circumstances, namely:
- a. If a solution to the existing uses on the site has not been agreed by 31 March 2017
 - b. Of an Agreement with a Developer for delivery of the development of the site in accordance with a planning permission has not been exchanged by 31 March 2021

DECISION:

1. That the Council proceed with the transfer of the freehold interest in Locking Road Car Park to the HCA on the final details set out above, including the purchase price of £2.5m and;
2. That the Council proceed to enter into a Collaboration Agreement with the HCA to address the issues set out above

Reasons:

To enable the implementation of the decision reached by Council at its meeting on the 16th February 2016 to transfer the freehold interest in Locking Road Car Park to the HCA

Other Alternatives Considered:

None

Financial Implications:

This decision will generate a capital receipt of £2.5m.

The decision to invest up to £500,000 towards preparatory costs will be funded from the unallocated capital receipt figure

Implications for Future Years:

As above

Signed:

Councillor Pasley
EXECUTIVE MEMBER FOR HR, ASSET MANAGEMENT, CAPITAL
PROGRAMME & TRANSFORMATION PROGRAMME

Dated:

Signed:

Section 151 Officer, North Somerset Council

Dated: