

WRITTEN STATEMENT OF A KEY DECISION CABINET

ITEM:	OPEN REPORT - SUPPLEMENTARY AGREEMENT AND DEED OF VARIATION TO THE RETAIL QUARTER (OLD LIVESTOCK MARKET) DEVELOPMENT AGREEMENT
Members Present:	Councillors: JG Jarvis (Leader), AJM Blackshaw, H Bramer, PM Morgan, RJ Phillips, PD Price (Deputy Leader), DB Wilcox
Date of Decision:	5 April 2012
Exempt:	No
Confidential	No
This is a key decision because It is likely to result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.	
The item was included in the Forward Plan.	
Urgency/Special Urgency: (As defined in Constitution)	No
Purpose:	To seek Cabinet approval to vary the terms of the retail quarter development agreement.
Decision:	THAT: (a) regard was given to the matters contained in the exempt report; (b) the terms of the Deed of Variation, Deed of Novation and Option Agreement with Stanhope Plc and British Land Plc described in the report was approved; and (c) authority was delegated to the Director for Places and Communities to finalise the necessary documentation.
Reasons for the Decision:	Most of the pre-conditions to enable development work to commence have been, or are in the process of being met including securing of detailed planning permission, and securing pre-lets under offer for food store, department store, cinema and other restaurant/retail uses. After months of negotiation, Stanhope Plc are seeking variations to the development agreement to enable them to secure the funding necessary for the scheme to proceed.
Options Considered:	1. Not to agree the amendments. This would leave Stanhope Plc without funding to deliver Phase 1 of the old livestock market redevelopment. This would defeat

	<p>the long-held ambition to see the redevelopment of the former livestock market site and the community and economic benefits that redevelopment will bring.</p> <p>2. To agree some but not all of the amendments. The amendments proposed form a negotiated package and it is not open to the council to be selective in this regard. It is therefore considered that this option would have the same result as not agreeing any of the amendments.</p>
<p>Declaration of Interest:</p>	<p>Councillor JG Jarvis, Leader of the Council declared a personal interest as a Director of Hereford Futures.</p> <p>Chris Bull, Chief Executive declared a personal interest as a Director of Hereford Futures.</p>
<p>Date the key decision is due to take effect:</p>	<p>13 April 2012</p>

<p>COUNCILLOR JG JARVISDate: 5 April 2012 LEADER OF THE COUNCIL</p>
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To be completed by officer:	
Date consent received from Chairman of Overview and Scrutiny Committee:	Not applicable.
Subject to Call-in:	This Decision was called in on 10 April 2012 by Councillors JLV Kenyon, TM James and R Preece. The call in meeting of the Overview and Scrutiny Committee was held on 13 April 2012.
Was the decision modified?	Yes. Recommendation (c) of the Decision was revised. (c) Authority be delegated to the Director of Places and Communities to finalise the necessary documents exercising continued diligence on equalities issues, value for money, risk assessment and mitigation.
If no any comment(s) to be noted	Not applicable.
Date original decision took effect:	17 April 2012

<p>COUNCILLOR JG JARVISDate: 16 April 2012 LEADER OF THE COUNCIL</p>
