

WRITTEN STATEMENT OF A NON-KEY DECISION CABINET

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| ITEM: | VARIATION OF RETAIL QUARTER (OLD LIVESTOCK MARKET) DEVELOPMENT AGREEMENT |
| Members Present | Councillors: JG Jarvis (Leader), H Bramer, RB Hamilton, AW Johnson, GJ Powell, PD Price (Deputy Leader) |
| Date of Decision: | 31 October 2012 |
| Exempt: | No |
| Confidential | No |
| Urgency/Special Urgency: (As defined in Constitution) | Yes |
| Purpose: | Further to its key decision on 5 April 2012, to seek Cabinet approval to vary the terms of the Retail Quarter Development Agreement documentation. |
| Decision: | <p>THAT:</p> <p>(a) the revised funding arrangements between Stanhope Plc and British Land Plc be approved; and</p> <p>(b) authority be delegated to the Director for Places and Communities to finalise the necessary documentation required to address the issues raised in this report.</p> |
| Reasons for the Decision: | Following the exchange of contracts British Land Plc have taken a view that changing market conditions mean that for them to continue they need to see a change in the financial return from the development. British Land's view was also informed by the fact that the number of pre-lets achieved had not met their target. In addition to British Land's requirement to renegotiate terms, one of the original clauses in the Development Agreement provided for Stanhope Plc to satisfy themselves with the ground conditions for the development. Stanhope Plc have now completed assessments of ground conditions and have confirmed that they will need to incur costs of £1m above their initial estimates before development can be commenced. |
| Options Considered: | Not to agree the amendments. This would leave Stanhope Plc without external funding to deliver Phase 1 of the old livestock market redevelopment. This would defeat the long-held objective to see the redevelopment of the former livestock market site and the community and economic benefits that redevelopment will bring. |
| Conflict of Interest ■ (See below) | None |
| Date the decision is due to take effect: | 6 November 2012 |

- a record of any conflict of interest declared by any executive member who is consulted by the member which relates to the decision;

And

- in respect of any declared conflict of interest, a note of dispensation granted by the relevant local authority's head of paid service.

COUNCILLOR JG JARVIS Date: 31 October 2012
LEADER OF THE COUNCIL

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| <p>To be completed by officer:</p> | |
| <p>Date consent received from Chairman of General Overview and Scrutiny Committee:</p> | |
| <p>Subject to Call-in:</p> | <p>This Decision was not called in OR This Decision was called in on DATE by Councillors NAME, NAME and NAME The call in meeting of the Overview and Scrutiny Committee was held on DATE</p> |
| <p>Was the decision modified?</p> | <p>Yes/No</p> |
| <p>If yes Cabinet Member (.....) decision reference:</p> | |
| <p>If no any comment(s) to be noted</p> | |
| <p>Date original decision took effect:</p> | <p>DAY AFTER SCRUTINY MEETING</p> |