

CABINET

MINUTES AND DECISION RECORD

3 OCTOBER 2011

The meeting commenced at 9.15 am in the Civic Centre, Hartlepool

Present:

The Mayor, Stuart Drummond - In the Chair

Councillors: Jonathan Brash (Housing and Transition Portfolio Holder)
Robbie Payne (Deputy Mayor) (Finance and Procurement Portfolio Holder),
Gerard Hall (Adult and Public Health Services Portfolio Holder).
Cath Hill (Culture, Leisure and Tourism Portfolio Holder),
Peter Jackson (Regeneration and Economic Development and Skills Portfolio Holder),
Hilary Thompson (Performance Portfolio Holder).

Also Present: Councillor Ray Wells.

Officers: Nicola Bailey, Acting Chief Executive
Peter Devlin, Chief Solicitor
Dave Stubbs, Director of Regeneration and Neighbourhoods
Jill Harrison, Assistant Director, Adult Social Care
Caroline O'Neill, Assistant Director, Performance and Achievement
Julian Heward, Public Relations Officer
David Cosgrove, Democratic Services Team

104. Apologies for Absence

Chris Simmons (Children's Services Portfolio Holder), and Pam Hargreaves (Transport and Neighbourhoods Portfolio Holder).

105. Declarations of interest by Members

None.

106. Minutes of the meeting held on 26 September 2011

Confirmed

107. Jackson's Landing *(Director of Regeneration and Neighbourhoods)*

Type of decision

Non-key.

Purpose of report

To provide Cabinet with an update on the purchase of Jackson's Landing.

Issue(s) for consideration by Cabinet

The Director of Regeneration and Neighbourhoods updated Cabinet on the current situation regarding the potential purchase of the Jackson's Landing site. Agreement had been reached with Schroeder's, the owners of the site, for the Council to have a 'lock out' agreement earlier in the year as reported to Cabinet. That agreement had lapsed on Friday 30 September and essentially the site was open to any bidder. The Council had submitted a revised bid to Schroeder's which would be considered by their board on Thursday. There were four companies interested in the development but none would be in a position to submit formal bids until the end of the week. It was now anticipated that a Council decision would not be needed on Thursday 6 October 2011.

The Mayor considered that should the Council purchase the property but none of the bids received met our expectations, some form of 'plan B' may possibly need to be considered. The negotiated price was advantageous to the authority and were 'we' to be entrepreneurial, the Council would simply hold the land until the property market improved. The Director commented that the initial proposal had been to move two-thirds of the site on immediately for development and to look to the development of the remaining third later. Obviously the appropriate advice would need to be given to Members and the risks appropriately considered. The Acting Chief Executive indicated that there was a cost to the authority in holding the site as it may need to be purchased through prudential borrowing so that budget pressure would have to be addressed.

Cabinet also queried the current rate relief status of the property. As the property was not in use and not available for immediate re-use, it received 100% business rate relief. Cabinet questioned if this would continue should the property transfer. The Mayor indicated that he understood that it would and the Chief Solicitor confirmed that that was the case but would seek confirmation.

Cabinet discussed the options available and considered that whilst an alternative approach to the current proposal may have to be considered at some time in the future, until Schroeder's made a decision on the bid there was no need to immediately consider an alternative. There was concern expressed at how the purchase of the property may be perceived by the public at a time of service cuts but it was considered that schemes like this may be an important option for the future of the Council's capital budget and how that was communicated to the public needed to be addressed.

Following a discussion on the issues, the Mayor thanked the Director for the update and confirmed that at this time, no decision of Cabinet was required and that the original intention for the purchase of the property remained. Should this situation change, then a further update would need to come to Cabinet. The Director indicated that he may have an update for the next meeting, dependent on the decision of the Schroeder's Board.

Decision

That the report of the Director of Regeneration and Neighbourhoods be noted.

The meeting concluded at 10.25 a.m.

P J DEVLIN

CHIEF SOLICITOR

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