



NORTHAMPTON
BOROUGH COUNCIL

COUNCIL

14 JULY 2014

Agenda Status: PUBLIC

Directorate: Regeneration, Enterprise
and Planning

Report Title	UPDATE ON GREYFRIARS DEVELOPMENT
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1. Purpose

1.1 The purpose of this report is to update Council on the recent planning appeal decision regarding the Rushden Lakes development and the implications for the proposed retail and leisure-led development at Greyfriars.

2. Recommendations

- 2.1 Council to note the current position regarding the termination of the Development Agreement with Legal and General (L&G).
- 2.2 Council delegates to the Leader and Chief Executive to agree the final details of the termination of the Development Agreement.
- 2.3 Council delegates to the Leader and Chief Executive any initial expenditure that is required to fund alternative plans in advance of a further report to Cabinet.

3. Issues and Choices

3.1 Report Background

3.1.1 Members will be aware that following a Public Inquiry in 2013, the Secretary of State has determined the called-in application for the development at Rushden Lakes, Rushden.

The application is for retail, garden centre, visitor centre, restaurants, hotel and other associated and ancillary development and was approved by the

Secretary of State, subject to conditions. The development is also subject to a unilateral undertaking under Section 106 of the Town and Country Planning Act 1990 (as amended).

3.1.2 In approving the application, the Secretary of State agreed with the Inspector's recommendations and findings and, insofar as the decision relates to Northampton, concludes that:

- a) there is no suitable and available sequentially superior site;
- b) he is not persuaded that a grant of planning permission at Rushden Lakes would preclude further investment at The Grosvenor Centre on the grounds of viability;
- c) it is unlikely that substantial numbers of people living in Northampton and beyond would be drawn to Rushden Lakes;
- d) the impact of Rushden Lakes on the vitality and viability of Northampton [Kettering and Corby] would not be significant;
- e) he found that there would be other benefits associated with the scheme.

3.1.3 In his overall conclusions, he found that whilst the proposal would not wholly accord with the North Northants Joint Core Strategy, the key policies and provisions in the adopted development plan are out of date.

The benefits of the proposal are not clearly outweighed by adverse impacts and that there are no other material considerations which indicate that planning permission should be refused.

3.2 Issues

3.2.1 Members will recall that at the Public Enquiry, L&G, the owners of the Grosvenor Centre, made it very clear that if the development was allowed they would not be in a position to progress the proposed extension to the Grosvenor Centre.

The Leader, Cabinet Member, Chief Executive and the Director met with representatives of L&G on 13th June, 2014 to discuss the Secretary of State's decision and to understand what L&G's intentions now were regarding the proposed extension.

3.2.2 It was agreed at the meeting that it would be beneficial for both parties for the existing Development Agreement to be terminated and the Council to be able to pursue other interested parties who would be interested in working with the Council to ensure that a retail and leisure-led scheme at the Greyfriars site is brought forward as quickly as possible. It was agreed by both parties that any new scheme would ensure that adequate linkages to the existing Grosvenor Scheme were provided for. The representatives of L&G also stated that agreement to termination would be subject to Board Approval.

3.2.3 L&G have now confirmed that their Board have agreed to the termination of the existing Development Agreement.

3.2.4 The Council will now proceed with bringing forward a new scheme for the Greyfriar's site, working with other partners.

3.3 Choices Options

3.3.1 The Council could choose:

- (i) not to pursue a retail and leisure-led scheme on the Greyfriars site;
- (ii) to move ahead with the development by pursuing a new development partner

3.3.2 An option could be proposed to not move ahead with a retail and leisure-led scheme on the Greyfriars site. This option would need an alternative usage to be found for the site and would not bring the enhanced retail-led offer for the town centre.

3.3.3 The preferred option would be to find an alternative developer or partner to ensure that a new scheme is developed on the site. A procurement process would need to be undertaken.

4. Implications (including financial implications)

4.1 Policy

4.1.1 The Central Action Plan sets out the planning policy objectives for the town centre area up to 2026. In respect of retail provision Policy 14 (meeting retail capacity) allocates the following:

61,000m² gross of comparison retail floor space
4,500m² gross of convenience retail floor space

The former Greyfriars Bus station site is allocated as part of this proposal.

4.2 Resources and Risk

4.2.1 There are unlikely to be any further financial implications for the Council with regards to the Development Agreement being terminated.

Upon termination of the Development Agreement the future development liabilities of the site would be the responsibility of the Council. To enable the site to be developed in the future the Council has £4m set aside in its Capital Programme to demolish the existing structure. Further details on this scheme were included in the report to Cabinet in November 2013. The Council may have to spend further resources to ensure the site ready for future development.

If this is the case further details will be included in a future report to Cabinet and resources incorporated into the Capital Programme and Revenue Budget accordingly. Should the Council need to incur any initial costs in developing the future options for the site in advance of this report to Cabinet these will be funded from existing budgets and reserves.

4.3 Legal

4.3.1 The Development Agreement does contain a number of obligations on both sides. However, the Development Agreement does not contain any specific contractual penalties if the Agreement terminates naturally. Both L&G and the Council, as parties to the Agreement, can terminate the Agreement by mutual agreement on whatever terms both parties think fit.

4.4 Equality

4.4.1 There are no adverse equality implications arising from this report, however, the original Informal Community Impact Assessment conducted prior to October 2009 will be reviewed and repeated as required during the process.

4.5 Other Implications

4.5.1 There are no other implications.

5. Background Papers

5.1 None

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