

CABINET

Canal Corridor North Development 06 October 2015

Report of the Chief Executive

PURPOSE OF REPORT					
To update Cabinet on the latest position with regard to legal advice on the options available to the council under the Canal Corridor North Development Agreement					
Key Decision	<input type="checkbox"/>	Non-Key Decision	<input type="checkbox"/>	Officer Referral	<input checked="" type="checkbox"/>
Date of notice of forthcoming key decision		N/A			
This report is public, however the appendix is exempt from publication by virtue of paragraphs 3 and 5, of Schedule 12A of the Local Government Act 1972					

OFFICER RECOMMENDATION

(1) That the report be considered

1.0 Introduction

The Canal Corridor North is one of the most important regeneration sites in Lancaster District. It is partly owned by the City Council with the majority of the rest of the site in the ownership of The British Land Company PLC. The City Council has a Development Agreement with British Land to facilitate the developer working with the council to bring forward development proposals for the regeneration of the site.

2.0 Report

- 2.1 The Development Agreement contains a provision which enables either party to terminate it by giving notice to the other party after a particular date if certain events have not occurred. The ability for either party to terminate the agreement has existed since 21st November 2014 but to date neither party has exercised that right.
- 2.2 Clearly the opportunity now exists for the council to give notice to British Land of a desire to terminate the agreement. However officers have advised that before the council considers such a step, it should obtain specialist legal advice to consider any wider implications of doing so.
- 2.3 Advice has been sought from Eversheds who have particular expertise in this field, and the advice is attached for Members information. Members should

note that the legal advice is exempt as the council is entitled to confidentiality when it receives legal advice.

- 2.4 Members should also note that in addition to this legal advice, the Chief Officer (Regeneration and Planning) has commissioned White Young Green to provide the council with updated advice on the need for further retail capacity in Lancaster District in the post-recession economic climate. That advice is currently anticipated to be received in late December.

3.0 Conclusion

- 3.1 That the report be considered.

RELATIONSHIP TO POLICY FRAMEWORK

The Canal Corridor Development has been pursued as a regeneration priority by the City Council since 2004. It remains a key project in the Local Development Framework, and is supported by the Corporate Plan priority for economic growth.

CONCLUSION OF IMPACT ASSESSMENT

(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing)

Non arising from the report

LEGAL IMPLICATIONS

Cabinet will need to carefully consider any legal implications which could arise from future decisions relating to the Development Agreement and in that regard the advice attached to this report is a material consideration.

FINANCIAL IMPLICATIONS

None arising from this report.

OTHER RESOURCE IMPLICATIONS

Human Resources:

None arising directly as a result of this report.

Information Services:

None arising directly as a result of this report.

Property:

None arising directly as a result of this report.

Open Spaces:

None arising directly as a result of this report.

SECTION 151 OFFICER'S COMMENTS

As with the legal implications, Cabinet will need to carefully consider the financial risks, as referred to in the advice, which could arise from future decisions relating to the Development

Agreement.

DEPUTY MONITORING OFFICER'S COMMENTS

The Deputy Monitoring Officer would draw Members' attention to the need to ensure the Council's position is protected and that any decisions relating to this matter are properly considered and appropriately documented to ensure that there are complete and accurate records of the decision making process.

BACKGROUND PAPERS

Exempt - Legal Advice provided by
Eversheds and attached to the report.

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Ref: CE/ES/Committees/Cabinet/2.