

Subject:	Development Agreement – Trail Head Centre, Bacup	Status:	For Publication
Report to:	Cabinet	Date:	17 th October 2012
Report of:	Head of Health Housing & Regeneration	Portfolio Holder:	Regeneration Leisure & Tourism
Key Decision:	<input type="checkbox"/> Forward Plan <input checked="" type="checkbox"/>	General Exception <input type="checkbox"/>	Special Urgency <input type="checkbox"/>
Equality Impact Assessment:	Required:	No	Attached: No
Biodiversity Impact Assessment	Required:	No	Attached: No
Contact Officer:	Steve Jackson	Telephone:	01706 252404
Email:	stephenjackson@rossendalebc.gov.uk		

1.	RECOMMENDATION(S)
1.1	That progress on negotiations to develop a trail head centre be noted.
1.2	That delegated authority be granted to the Director of Business in consultation with the Portfolio holder for Regeneration, Leisure and Tourism to finalise the details of the Development Agreement and dispose of the site at an undervalue .
1.3	All future minor amendments to the project to be delegated to the Head of Health Housing & Regeneration in consultation with the Portfolio Holder.

2. PURPOSE OF REPORT

- 2.1 To update Members on the progress of negotiations with the appointed developer Ride-On towards the development agreement for the trail head centre, Bacup.
- 2.2 That delegated authority be granted to the Director of Business in consultation with the Portfolio holder for Regeneration, Leisure and Tourism to finalise the development agreement between Ride-On (and their agents) and the Council to finalise the details of the Development Agreement including the transaction of lands.

3. CORPORATE PRIORITIES

- 3.1 The matters discussed in this report impact directly on the following corporate priorities:
- **A clean and green Rossendale** – creating a better environment for all.
 - **A healthy and successful Rossendale** – supporting vibrant communities and a strong economy.
 - **Responsive and value for money local services** – responding to and meeting the different needs of customers and improving the cost effectiveness of services.

4. RISK ASSESSMENT IMPLICATIONS

- 4.1 There are no specific risk issues for members to consider arising from this report.

5. BACKGROUND AND OPTIONS

- 5.1 The Council considered a report in June 2012 relating to the appointment of Ride-On as the Council's preferred developer for the construction and operation of a trail head centre at Futures Park, Bacup to support the sporting and leisure activities offered by the quarry developments.

- 5.2 Since then, officers have met with Ride-On on a number of occasions to develop the full details of the scheme and discuss the basis for the development.
- 5.3 The proposal is to provide Ride-On with a Building Lease in relation to Plots 4 & 5 at Futures Park with a further option to develop plots 1 & 3.
- 5.4 The basis of the Building Lease is that the transfer of ownership of the plot(s) only takes place once the development reaches completion. Development will be completed against an agreed timescale and subject to the usual planning and consultation processes.
- 5.5 The land transaction details have yet to be finalised but the indication is that the land will have to be disposed of at less than market value in order to contribute towards the overall viability of the scheme.
- 5.6 In mitigation, the Council will not be making any financial contribution towards the development costs and the beneficiaries from the development will include not only users of the bike trails at the quarries but the wider public and local businesses who will benefit from the facilities and increased footfall to the area,
- 5.7 The proposal is that delegated authority be granted to the Director of Business in consultation with the Portfolio holder for Regeneration, Leisure and Tourism to finalise the details of the Development Agreement including the transaction of lands.

COMMENTS FROM STATUTORY OFFICERS:

6. SECTION 151 OFFICER

- 6.1 Whilst this development is not intended to require any additional financial contribution from the Council, there is an opportunity cost commensurate with the value of the land being transferred. Officers will continue to investigate the benefits listed at 5.7 above to ensure that these represent value for money for the Council in balance with the value of land.

7. MONITORING OFFICER

- 7.1 This transaction is a disposal of the Council of property interests in accordance with s123 of the Local Government Act 1972

b) The council need to obtain a land valuation which values the land on an open market basis

c) The Council is not receiving any consideration for entering into the building lease and therefore the grant of this equates to a disposal at less than best consideration. If any undervalue does not exceed £2,000,000.00 (two million pounds), Secretary of State for Communities and Local Government consent will not be required as the disposal would be permitted by the Local Government Act 1972: General Disposal Consent 2003.

8. HEAD OF PEOPLE AND POLICY (ON BEHALF OF THE HEAD OF PAID SERVICE)

8.1 No HR Implications

9. CONSULTATION CARRIED OUT

9.1 Portfolio Holder

10. CONCLUSION

10.1 The development of a trail head centre on Futures Park will provide opportunities for trail users, local people and businesses to get involved and benefit from the facility.

10.2 The development fits with the Council's wider regeneration priorities and is unlikely to happen without the Council's support in relation to accepting less than market value for the plots included in the Building Lease.