

PROPERTY GROWTH FUND SUB-COMMITTEE

MINUTES OF MEETING

Tuesday, 30th July 2019

PRESENT: Councillor Brett (in the Chair); Councillors Daalat Ali and Rowbotham.

OFFICERS: J. Searle (Director of Economy), D. Bowler (Assistant Director (Place)) and P. Thompson (Resources Directorate).

Also in Attendance: Councillor Dearnley and G. Davies (Rochdale Development Agency)

APOLOGIES

7 There were no apologies for absence.

DECLARATIONS OF INTEREST

8 There were no declarations of interests.

MINUTES

9 Resolved:

That the minutes of the Property Growth Fund Sub-Committee held on 12th June 2019 be approved and signed as a correct record.

EXCLUSION OF PRESS AND PUBLIC

10 Resolved:

That the Press and Public be excluded from the meeting during consideration of the following item of business, in accordance with the provisions of Section 100A (4) of the Local Government Act 1972, as amended.

Reason for Decision:

Should the press and public remain during debate on the items there may be a disclosure of information that is deemed to be exempt under Parts 1 and 4 of Schedule 12A of the Local Government Act 1972.

DISPOSAL OF LAND AT BOWNESS ROAD, MIDDLETON

11 The Sub-Committee considered a report of the Assistant Director (Place) which sought approval for the disposal of Council owned land at Threlkeld Road, Middleton, to The Riverside Group Ltd (TRGL) at nil value. The report detailed the justification for disposing of the Council's land at nil value. Site plans, which demonstrated the extent of the Council's land (The Council's Land) were attached at the appendices to the report.

The Council's Land was a vacant site consisting of a maintained grassed amenity space with mature trees. The proposed layout retained a significant amount of this open space and the trees. It was proposed to dispose of the Council's Land in order to assist TRGL in delivering 41 homes for affordable rent. TRGL owned the adjoining plot of land, being the site of the former properties on Threlkeld Close and the former Falcon pub.

Alternatives considered:

To not dispose of the Council's land interests and for TRGL to develop only their own land. This would result in a small site that is not financially viable for TRGL to develop. This is undesirable as it would result in the loss of 41 affordable homes not developed.

Resolved:

1. The Sub-Committee notes and acknowledges the wider benefits and improvements that the redevelopment of the site as set out in the submitted report will provide which justify the disposal of the Council's Land at nil value;
2. The Sub-Committee approves the disposal of the site to TRGL for nil value to enable development of the wider site by TRGL for affordable housing
3. The Sub-Committee delegate approval of the final heads of terms for the disposal of the site to the Director for Neighbourhoods and the Director of Resources, once agreed between the Council and TRGL.

Reasons for the decision:

TRGL have carried out an appraisal of the proposed scheme of 41 homes for affordable rent. There is a deficit of £102,233 over a 40 year life of the development assuming a land cost of £1.

The provision of affordable housing in this location would ensure that local housing need was recognised and responded to, would increase the tenure diversity in the area and thus enhance the housing offer available to residents.

In addition Homes England have confirmed they will allocate grant funding to support the proposed scheme. TRGL is committed to the scheme and approval has been given by their board to proceed.

Eligible for Call-in: Yes.

INVESTMENT IN ROCHDALE RIVERSIDE

12 The Sub-Committee considered a report of the Director of Economy that set out details of an opportunity to secure a future occupier for the Rochdale Riverside retail and leisure scheme.

Alternatives considered:

The Sub-Committee considered three alternate options:

- a. To not to fund the additional costs or seek to renegotiate better terms
- b. To fund via the Capital programme
- c. To seek an alternative occupier

Resolved:

The Sub-Committee authorises additional costs needed to secure the occupier utilising funds from the Property Growth Fund.

Reasons for the decision:

The new occupier would be a major boost for the Rochdale Riverside retail and leisure scheme. The proposed operation would significantly enhance the

scheme line up, helping attract future occupiers and support the overall town centre offer.

Investment in the proposed occupier would meet the target return for the Property Growth Fund, and would also provide an additional rent which can be invested into the scheme.

Eligible for Call-in: Yes