

## **Salford City Council - Record of Decision**

### **Title: CHARLESTOWN RIVERSIDE – FEE PROPOSALS**

I, Councillor Peter Connor, Lead Member for Housing, in exercise of the powers conferred on me by Section F6(a)(i) of the Scheme of Delegation of the Council do hereby **approve** :-

1. the payment of consultants fees to progress the planning application for the Charlestown Riverside regeneration proposals by New Deal for Communities.
2. the mechanism for the repayment of these fees plus additional gap funding through overage to the City Council, New Deal for Communities, the Manchester Salford Pathfinder and the developer,
3. the payment of the additional fees to be split equally between the City Council and New Deal for Communities in the event that the scheme does not proceed, and
4. the entering into a Deed of Variation to the Framework Agreement to document these arrangements, alongside the revisions required to document the gap funding necessary for the scheme to proceed.

The Reasons are: to progress the regeneration proposals for Charlestown Riverside, through the planning application process and beyond.

Assessment of Risk: Medium

The source of funding is: New Deal for Communities Physical Environment Programme

Legal Advice obtained: Norman Perry 793 2325

The properties within the clearance area have been acquired under threat of compulsory purchase for a particular purpose if the scheme does not proceed, then it is good practice to offer the properties back to the original owners.

If funding for the additional fees is not forthcoming, the developer can evidence the scheme is unviable and terminate the Framework Agreement with the fees incurred split equally between the developer, the City Council and New Deal for Communities. The proposed Variation will increase the liability to the City Council as any fees above those expended to date will be split only between the City Council and New Deal for Communities.

The proposed way forward may result in the envisaged Development being progressed and the City Council subsequently recovering its investment in fees. However, under current market conditions, whatever course upon which the Council embarks will include a degree of risk.

Financial Advice obtained: Nigel Dickens 793 2585

The required funding of £441,000 to progress the scheme has been built into the NDC Delivery Plan and approved by the Partnership Board and has therefore been accounted for. In the possible scenario of the scheme not proceeding and the need to share costs as indicated within the report then these would need to be funded through the gap funding referred to at paragraph 2.8 within the report.

The following documents have been used to assist the decision process:

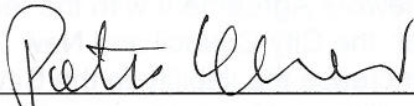
"The relevant documents contain exempt or confidential information and are not available for public inspection"

Contact Officer: Dave Norbury

Tel No: 0161 779 6121

- \* This matter is also subject to consideration by the Lead Member for Customer and Support Services and, accordingly, has been referred to that Lead Member for a decision

- \* The appropriate Scrutiny Committee to call-in the decision is the Environment, Housing and Planning Scrutiny Committee

Signed:   
Lead Member for Housing

Dated: 21<sup>st</sup> April, 2009

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- \* This decision was published on Tuesday, 21<sup>st</sup> April, 2009.
  - \* This decision will come in force on Wednesday, 29<sup>th</sup> April, 2009, it is called-in in accordance with the Decision Making Process Rules.