

CABINET MEETING – 2ND NOVEMBER 2011 EXECUTIVE SUMMARY SHEET – PART I	
Title of Report: Disposal of land at Rainton Meadows, Mercantile Road, Houghton le Spring.	
Author(s): Report of the Deputy Chief Executive.	
Purpose of Report: This report seeks approval to enter into an option agreement for the disposal of approximately 3 acres of Council land at Rainton Meadows, Mercantile Road, Houghton le Spring.	
Description of Decision: Cabinet is recommended to agree to enter into an option agreement for the disposal of approximately 3 acres of Council land at Rainton Meadows, Mercantile Road, Houghton le Spring to Roseberry Club Leisure Limited for the price set out in the report on Part II of this agenda and otherwise on terms to be agreed by the Deputy Chief Executive.	
Is the decision consistent with the Budget/Policy Framework? Yes	
If not, Council approval is required to change the Budget/Policy Framework	
Suggested reason(s) for Decision: To enable the potential development of a site for a use that will be complementary to adjacent business park uses and to secure further investment in the City.	
Alternative options to be considered and recommended to be rejected: The alternative options are: <ul style="list-style-type: none"> (i) To decline the application whereupon the proposal will not proceed to planning application stage; (ii) To release the site on the open market which may lead to the proposed development not proceeding. Both of these options have been considered and are not recommended.	
Is this a “Key Decision” as defined in the Constitution? Yes Is it included in the Forward Plan? No	Relevant Scrutiny Committee: Management

**DISPOSAL OF LAND AT RAINTON MEADOWS, MERCANTILE ROAD,
HOUGHTON LE SPRING**

REPORT OF THE DEPUTY CHIEF EXECUTIVE

1.0 Purpose of the Report

- 1.1 This report seeks approval to enter into an option agreement for the disposal of approximately 3 acres of Council land at Rainton Meadows, Mercantile Road, Houghton le Spring.

2.0 Description of Decision

- 2.1 Cabinet is recommended to agree to enter into an option agreement for the disposal of approximately 3 acres of Council land at Rainton Meadows, Mercantile Road, Houghton le Spring to Roseberry Club Leisure Limited for the price set out in the report on Part II of this agenda and otherwise on terms to be agreed by the Deputy Chief Executive.

3.0 Background

- 3.1 The Council acquired land at Rainton Bridge for the development of the business park the majority of which has now been developed. The subject land is part of an area identified as expansion space for the main business park and is located to the site of the former Glebe Sewage Works to the rear of the existing Rainton Meadows Arena.
- 3.2 An application has been received from Roseberry Club Leisure Limited to develop the site shown on the attached plan for a replacement arena/conference venue and associated car parking.
- 3.3 Roseberry Club Leisure Limited propose to dispose of the present Rainton Meadows Arena site for retail development purposes, primarily for non food retail, and as part of this development will relocate the arena operation to the Council's land. Within the sales documentation Roseberry Club Leisure Limited will be contractually obliged to develop their existing site as well as the development of a replacement arena on the Council land.

- 3.4 The proposed site is allocated in the Unitary Development Plan for offices and industrial uses. The option agreement for the disposal of the Council land will be conditional on planning approval being obtained by Roseberry Club Leisure Limited for the development of the site for an arena and associated parking and for the retail development on the existing arena site.

4.0 Reason for Decision

- 4.1 To enable the potential development of a site for a use that will be complementary to adjacent business park uses and to secure further investment in the City.

5.0 Alternative Options

- 5.1 The alternative options are:

- (i) To decline the application whereupon the proposal will not proceed to planning application stage;
- (ii) To release the site on the open market which may lead to the proposed development not proceeding.

Both of these options have been considered and are not recommended.

6.0 Relevant Consultations

- 6.1 The Executive Director of Commercial and Corporate Services has been consulted and his comments incorporated into the report.

7.0 Background Papers

- 7.1 Property file held by the Head of Land and Property, redacted to exclude details of disposal price.