

# CHESHIRE EAST COUNCIL

## REPORT TO: CABINET

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<b>Date of Meeting:</b>	17 <sup>th</sup> September 2012
<b>Report of:</b>	Strategic Director Places & Organisational Capacity
<b>Subject/Title:</b>	Congleton Town Centre – Bridestones Extension and Public Open Space Disposal Objection
<b>Portfolio Holder:</b>	Cllr Jamie Macrae

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### 1.0 Report Summary

- 1.1 The purpose of this report is for the Cabinet to consider an objection to the disposal of public open space, namely, land located off Princess Street, Congleton, to Scarborough Development Group (Congleton) Ltd (SDG) for development as part of the Bridestones Extension scheme in Congleton town centre, and to decide whether to proceed with the disposal on terms and conditions to be determined by the Director of Finance, Strategic Director Places & Organisational Capacity and the Borough Solicitor in consultation with the Portfolio Holder for Prosperity.
- 1.2 This well advanced scheme is an extension to the Bridestones Centre to deliver a retail led, mixed use redevelopment. The proposal includes a food superstore, specialist retail units, a new indoor and outdoor market, a new public square and car parking. The scheme will have planning permission granted once the section 106 agreement is signed.
- 1.3 On 31 October 2011 the Cabinet authorised the advertisement of the Council's intention to dispose of the open space within the development area and authorised the disposal of the three parcels of land referred to in 10.3 below subject to no objection being received in respect of the disposal of the open space.

### 2.0 Decision Requested

That Cabinet, having given consideration to the one objection received in response to the advertisement of the intention to dispose of the open space within the development area, approve the disposal of the Council's legal interest in land located off Princess Street, Congleton as described in 10.3 below to Scarborough Development Group (Congleton) Ltd (SDG) on terms and conditions to be determined by the Director of Finance, Strategic Director Places & Organisational Capacity and the Borough Solicitor in consultation with the Portfolio Holder for Prosperity.

### 3.0 Reasons for Recommendations

- 3.1 It is necessary for the Council to be proactive in leading the regeneration of

our town centres and utilising our asset base progressively is key to the approach. This approach will help us maximise a receipt from a disposal whilst delivering wider regeneration benefit.

- 3.2 The SDG scheme will bring economic, social and environmental benefits to The Council including improved infrastructure and public realm, connectivity within the town and new jobs. It is likely to encourage other property improvement in Congleton and fits with the Council's planning policies, and Corporate Strategy. The SDG scheme will bring about a number of positive improvements for Congleton town centre, including a better retail offer, much improved public realm and a new town square.
- 3.3 Cabinet previously resolved that the interests of the Council are best served by dealing with SDG in respect of the Council's assets at Princess Street and that the time is right to dispose of those assets as a catalyst to the revitalisation of the town centre. SDG has significant land ownership in the regeneration site, which it is unlikely to relinquish voluntarily to enable an alternative development, has secured a planning approval at material cost , has negotiated deals with the anchor end user occupier (Food Superstore) and has said that it is keen to start development as soon as conditions precedent to its intended agreement for long lease such as there being a pre-let of the indoor and outdoor market to a market operator and a temporary market being secured during the development period.

#### **4.0 Wards Affected**

- 4.1 Congleton Town East, Congleton Town West

#### **5.0 Local Ward Members**

- 5.1 Cllr David Topping, Cllr Roland Domleo, Cllr David Brown, Cllr Peter Mason, Cllr Gordon Baxendale and Cllr Andrew Thwaite

#### **6.0 Policy Implications including – Carbon Reduction**

- 6.1 Improving Congleton Town Centre will encourage more people to shop locally and will help reduce traffic and leakage to other neighbouring towns.

#### **7.0 Financial Implications (Authorised by the Director of Finance and Business Services)**

- 7.1 Disposal of the Princess Street car park and the market square and accommodation will generate a capital receipt for the Council as reported to Cabinet in October 2011.
- 7.2 There will be a loss of income from the disposal of the Princess Street car park as reported to Cabinet in October 2011 although this will be partly offset by reduced maintenance costs and there may be some displacement, particularly of long stay users, to other Council car parks in the town.

7.3 There will be a loss of income from the Fairground car park during the period of construction of the Bridestones extension as reported to Cabinet in October 2011 as it will house the temporary market pending delivery of the new market accommodation as part of the SDG scheme.

7.4 There will be a loss of income from the market operation as reported to Cabinet in October 2011.

## **8.0 Legal Implications (Authorised by the Borough Solicitor)**

8.1 In accordance with Section 123 (2A) of the Local Government Act 1972 the Council was obliged to publish notice of its intention to dispose of the open land at Princess Street for two consecutive weeks in a newspaper circulating in the area where the land is situated.

8.2 The Council has complied with this statutory requirement by placing adverts in the Congleton Chronicle on 31<sup>st</sup> May 2012 and 7<sup>th</sup> June 2012. The 1972 Act does not stipulate how long should be allowed for responses to be made but this Council, in common with others, generally allows 14 days for representations so the closing date for objections was 21<sup>st</sup> June 2012.

8.3 As well as a requirement to advertise, Section 123 provides that a principal Council may not dispose of land which consists of, or forms part of open space unless, before disposing of the land, consideration is given to any objections and/or representations which are made.

8.4 By the closing date one objection was received on 15<sup>th</sup> June 2012, copy attached.

8.5 The objection has been acknowledged by the Council and the objectors informed that their objection will be considered by the Council.

## **9.0 Risk Management**

9.1 Because the transaction is not intended to be subject to the EU Procurement Rules there will not be any development obligations within the agreement for lease and thereafter the long lease. Therefore, the Council will need to be satisfied that SDG is able and has commercial reasons to implement the planning permission before the long lease is granted to it.

## **10.0 Background**

10.1 Congleton is one of Cheshire East's key Sustainable Towns and presents an opportunity for significant social, economic and environmental regeneration.

10.2 This well advanced scheme is an extension to the Bridestones Centre on land at Princess Street to deliver a retail led, mixed use redevelopment. The proposal includes a significant food store, specialist retail units, a new indoor and outdoor market, a new public square and car parking. Previously it was

intended that there be a hotel within the scheme but the intended end user has withdrawn its interest and the scheme has been modified to exclude the hotel.

- 10.3 At the October 2011 Cabinet meeting, Cabinet authorised the disposal of three parcels of land in which the Council has interests being the existing Market (0.47 acres), Princess Street car park (0.53 acres) and the market office, store and public conveniences (see attached plan) subject to no objection being received in respect of the disposal of the open space.
- 10.4 In the longer term, the scheme could stimulate the refurbishment of the existing Bridestones Centre and create improved pedestrian circuits with Mill Street. Through our Sustainable Towns approach, the Council is working closely with small and medium sized retail outlets in the town to improve their offer and benefit from the increased footfall that the regeneration scheme will bring.
- 10.5 There is a clear rationale for investing in Congleton. It is one of the most important towns in terms of the local economy but there has been a lack of private investment in the centre for some years and the town centre has come under significant pressure from out of town shopping locations. The White Young Green Cheshire Retail Study Update (2011) identified that the centre would benefit from investment to stimulate economic growth.

## **11.0 Access to Information**

The background papers relating to this report can be inspected by contacting the report writer:

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