

RECORD OF EXECUTIVE DECISION

Tuesday, 16 April 2024

Decision No: (CAB 23/24 45149)

DECISION-MAKER:	CABINET
PORTFOLIO AREA:	Cabinet Member for Economic Development
SUBJECT:	Toys R Us Development Agreement
AUTHOR:	Nawaz Khan

THE DECISION

- (i) To approve the proposed changes to the Development Agreement and recommendations set out in Confidential Appendix 1.
- (ii) To delegate authority to the Chief Executive following consultation with the Leader, Executive Director Corporate Services and Director of Legal & Governance to finalise the detailed terms of the amendments required to the Development Agreement Lease and all other ancillary legal documentation to support the delivery of the scheme.

REASONS FOR THE DECISION

As freehold landowner, the council wishes to support the delivery of the former Toys R Us site (Plan attached at Appendix 2) for a mix of uses consistent with its ambitions for the good growth of the City.

Allowing changes to the Development Agreement as recommended in Appendix 1 acknowledges the impacts of macroeconomic challenges faced by construction projects over the past year, gives the developer certainty that the Development Agreement can be extended up to a certain duration, but also allows the council to continue to actively monitor and support progress towards delivery of the scheme.

DETAILS OF ANY ALTERNATIVE OPTIONS

1. Do nothing. The Development agreement would expire in June 2024. If no changes are made to the existing agreement, it is unlikely the development would be able to progress at all. The construction industry has faced difficulties over the past year which delayed progress towards appointing a contractor. As the current developer is the leaseholder of the site, a new development agreement would need to be negotiated, at significant time and cost, if the current agreement was allowed to expire. The development of the

site is subject to the current ownership arrangements and would require the support of all parties having a legal interest in the property.

2. An unconditional extension of 3 years to the Development Agreement. This would be relatively inflexible and would require any further changes to be brought back to Cabinet for approval, which may add further delay to the delivery of the site. 3 years is longer than the original duration of the Development Agreement and there is a risk the site will remain vacant for this additional duration, which is not in the interests of City regeneration. The only option to end the agreement within the extended 3 years, would be to formally terminate the agreement, which would incur additional costs, time and delay to the Council.

OTHER RELEVANT MATTERS CONCERNING THE DECISION

None.

CONFLICTS OF INTEREST

None.

CONFIRMED AS A TRUE RECORD

We certify that the decision this document records was made in accordance with the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 and is a true and accurate record of that decision.

Date: 16 April 2024

Decision Maker:
The Cabinet

Proper Officer:
Judy Cordell

SCRUTINY

Note: This decision will come in to force at the expiry of 5 working days from the date of publication subject to any review under the Council's Scrutiny "Call-In" provisions.

Call-In Period expires on

Date of Call-in *(if applicable) (this suspends implementation)*

Call-in Procedure completed <i>(if applicable)</i>
Call-in heard by <i>(if applicable)</i>
Results of Call-in <i>(if applicable)</i>