

RECORD OF DECISION TAKEN UNDER CABINET MEMBER DELEGATED POWERS AT COUNTY HALL, NEWPORT, ISLE OF WIGHT ON 23 JULY 2020

THE CALL IN PERIOD FOR THIS DECISION EXPIRES AT 5.00PM ON 30 JULY 2020. THE DECISION CANNOT BE IMPLEMENTED UNTIL AFTER THAT DATE.

Present: Cllr Stuart Hutchinson – Deputy Leader and Cabinet Member for Resources

Sarah MacDonald – Democratic Services Officer

Item	<u>Land at St George's Way/Godric Road, Newport – Deed of Variation with South Coast Leisure</u>
Reference	06/20
Notice of Decision Published	Friday 7 July 2020
Decision Taken	Option 1 – to agree to enter into the deed of variation requested by SCL on the terms attached in Appendix 2 and to delegate authority to the Director of Regeneration, in consultation with the Cabinet member for resources, to agree the precise contract terms.
Reason for decision	<p>SCL exercised the option earlier this year to purchase the site. Due to weakening retail market conditions in recent years and now Covid-19, to ensure the successful delivery of the retail park, SCL is now requesting that all restrictions on the title be lifted and instead a fair proportion of any resulting increase in land value to be paid to the council.</p> <p>The proposed retail park will deliver substantial regeneration benefits for the Isle of Wight, including attracting new employers and retailers, and the creation of new jobs and business rates. Based on similar units around Newport, SCL estimate that the proposed retail park (both the NFC site and the former option land, based on the current planning permission) could generate in the region 350 – 400 new jobs and in the region of £750,000 per annum in business rates.</p>
Additional reasons	The council is already committed to the delivery of regeneration on the Island, and to this development in particular through already having signed an option with SCL, so there is no additional risk to the council in agreeing this variation of terms.
Options considered and rejected	<p>Option 2 – refuse the terms of SCL's request.</p> <p>Option 3 – endeavour to renegotiate and improve the terms set out in this report.</p>

Representations Received	Representations received	Response to representations
	<p>Representations received from:</p> <p>J.Jones-Evans Newport Business Association C Burgess A Garratt L Burgess (received after deadline)</p> <p>In summary, the objections received are that the release of the covenants allows the development of this site in a way that may increase competition for businesses already trading in Newport. The difficult retail environment is cited as a reason for their retention with a threat to existing jobs in town and to businesses struggling to recover following COVID lockdown.</p> <p>It is believed there is insufficient evidence provided in the report to justify Option 1 being taken as the decision.</p>	<p>Five objections to the decision have been received. One was received past the deadline, but the comments made and reasons for objection were similar to those in the other objections and this response therefore covers the points made. I have considered them all carefully.</p> <p>The essence of the objections received are that the release of the covenants allows the development of this site in a way that may increase competition for businesses already trading in Newport. The difficult retail environment is cited as a reason for their retention.</p> <p>There are a number of points to recognise with the use of the site as it stands:</p> <p>The site overall includes the land currently occupied by Newport Football Club. The “option land” is about one third of the total. The whole site is already owned by SCL Ltd.</p> <p>In 2017 restrictions were amended so that the site could be used for larger food retail units or for smaller units of non-food retail or light industrial. There is no existing covenanted restriction on the type or size of non-food retail units. Even within the non-food retail up to 15% of the area of any retail or industrial unit can be used for food retail associated with the main use -such as we see with cafes in DIY and other large retail operations. The site was sold with these permitted uses. Early interest from potential tenants indicates that the size and nature of unit required by occupiers is significantly greater than that available on the High Street.</p> <p>The restrictions now being removed would not change the size or variability of any non-food retail or light industrial use but would permit the amendment of the sizes of the large retail food operations -subject to appropriate planning approvals as noted below. It is my view that these adjustments are a minor variant in respect of the potential use of units</p>

		<p>already enabled by the alterations agreed in 2017.</p> <p>It lifts the restriction on disposal of the two sites as one, which alters the value of the land but not its use. And the removal of the buy-back restriction is replaced with an alternative which still protects the value but offers greater flexibility in timing of development.</p> <p>The removal of a covenant does not in any way offer an approval for the use of the land in Planning terms. Applications for its use as a whole or individual elements have to go through the normal planning process where issues such as type of use, impact upon others and so forth are considered and require planning permissions.</p> <p>It is that process which should be, and is, the primary safeguarder and determiner of usage, not the existence of covenants.</p>
	Questions received from Members	Response to any questions (provided in receipt at least 48 hours before the date of decision published in the Forward
	None received.	N/A
Declarations of interest	None received	
Additional advice received	None	

Signature...CLLR STUART HUTCHINSON.....

Date23 JULY 2020.....