

## **Castleward – Cityscape Property Acquisitions**

### **SUMMARY**

- 1.1 Derby Cityscape master plan sets out the broad vision of Cityscape for the City Centre including the Castleward area. Acquiring the leasehold interests in a number of properties funded by English Partnerships, is the key to facilitating the first phase along Hope Street from Traffic Street to Canal Street.
- 1.2 Subject to any issues raised at the meeting I support the following recommendations.

### **RECOMMENDATIONS**

- 2.1 To enter into the agreement relating to the acquisition of four properties in the Castleward area with English Partnerships in accordance with the terms detailed in the confidential report included in this agenda.
- 2.2 Subject to the above agreement being completed, to acquire the leasehold interest in four properties to facilitate the first phase of the Castleward area redevelopment in accordance with the terms detailed within the confidential report included in this agenda.
- 2.3 To add these acquisitions to the capital programme for 2007/8.

<b>REASONS FOR RECOMMENDATIONS</b>
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3.1 To facilitate the first phase of the redevelopment of the Castleward area.



DERBY CITY COUNCIL

**COUNCIL CABINET**  
**19 FEBRUARY 2008**

Report of Corporate Director of Corporate and Adult Services

## **Castleward – Cityscape Property Acquisitions**

### **SUPPORTING INFORMATION**

- 1.1 The revised Derby Cityscape masterplan sets out the broad vision of Cityscape for the future of the city centre and identifies proposals for the Castleward area as a result of consultation and stakeholder involvement.
- 1.2 Cityscape identified various phases for the redevelopment of the Castleward area. The first phase, along Hope Street from Traffic Street to Canal Street is seen to be key in “kick-starting” the process. This area has the advantage of being mainly made up of properties already within public ownership or where provisional terms have been agreed with leaseholders. There are, four potential leasehold acquisitions where the Council already owns the freehold as ground landlord that would be required.
- 1.3 The proposals require the acquisition of leasehold and freehold interests within the masterplan area and redevelopment in accordance with the masterplan. Cityscape, cannot however, acquire property interests. Previous discussions have established that potential acquisitions in advance of any compulsory purchase order need to be funded by one of the Council’s partners as there are no Council financial resources available. English Partnerships have agreed a funding agreement whereby the property is acquired in the name of and held by the Council pending the redevelopment with the ongoing management and maintenance costs also being covered. New agreements would be granted to two of the occupiers with break clauses in anticipation of redevelopment. The remaining agreements would continue until redevelopment takes place.

## OTHER OPTIONS CONSIDERED

- 2.1 The ability to fund the acquisitions through prudential borrowing is not financially feasible. If the leasehold interests are not acquired the successful redevelopment of Phase 1 would be jeopardised and a CPO potentially needed to assemble the site.

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**Background papers:** None  
**List of appendices:**  
1. Implications  
2. Confidential Report (within that part of Agenda)

<b>IMPLICATIONS</b>
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**Financial**

- 1.1 As contained within the attached confidential report.
- 1.2 The acquisitions would need to be added to the approved capital programme 2007/8.

**Legal**

- 2. Prior to any acquisitions the funding agreement needs to be completed with English Partnerships.

**Personnel**

- 3. None

**Equalities Impact**

- 4. None directly arising.

**Corporate objectives and priorities for change.**

- 5. The proposal mainly comes under the Council's priority of creating a 21<sup>st</sup> century city centre.