

Report to the Council

Committee: Cabinet

Date: 29 July 2014

Portfolio Holder: Councillor A Grigg (Asset Management and Economic Development)

SUPPLEMENTARY ESTIMATE FROM THE DISTRICT DEVELOPMENT FUND

Recommending:

(1) That a supplementary estimate from the District Development Fund in the sum of £35,000 be approved to instruct external solicitors to prepare and negotiate a Development Agreement for the St John's Road site in Epping.

1. In September 2012, the Council adopted a planning brief for the St John's Road area in Epping, which allowed for a number of potential uses. The freehold of the area is divided between three Councils as follows:

- (a) Essex County Council – the former Epping Junior School (2.59 acres);
- (b) Epping Forest District Council – the Housing Depot (0.59 acres); and
- (c) Epping Town Council – Epping Hall (0.54 acres).

2. A joint marketing exercise for the site was undertaken at the end of 2013 by all three Councils, with 12 bids received from residential developers, 2 bids from Care Home operators, and 3 mixed use bids. In March 2014, we along with the other two Councils agreed to an exclusive fixed negotiating period of 4 weeks with Frontier Estates.

3. The proposal before the three Councils is for a food store of approximately 12,900 square feet, a public car park with an estimated 173 spaces, a small cinema, restaurants, ancillary commercial uses and residential development. Part of the Centrepoint building will be refurbished at the developer's cost and the freehold granted to Epping Town Council. The main access to the food store will be from Epping High Street, whilst there would be access for servicing from St John's Road.

4. The redevelopment of the site would produce a number of economic and community benefits for the area, which would be in the interests of all three Councils, and would be an excellent example of working in partnership for the common good. We would receive the benefit of additional business rates created by the development, and there would be a significant benefit for local residents from the jobs created by the development.

5. At the meeting of the Cabinet held on 21 July 2014, we agreed the proposed Heads of Terms for the development of the St John's Road site in Epping, following negotiations between the Council's agent, Savills, and Frontier Estates (Epping) Limited (the developer), together with agents acting for Essex County Council and Epping Town Council.

6. We also agreed that external solicitors should be instructed to prepare and negotiate a Development Agreement in order to document the agreed Heads of Terms for the

redevelopment, subject to the clarification and approval of the food store operator. Their appointment would be conducted in accordance with the Council's Contract Standing Orders and Financial Regulations, and the preparation of the documents has been estimated to cost £35,000. The Council does not have a separate budget for this so we are asking for a supplementary estimate from the District Development Fund in the sum of £35,000 to be approved.

7. We recommend as set out at the commencement of this report.