

CABINET MEMBER DECISION RECORD

This form should be used to record Executive decisions taken by Cabinet Members

Decision Ref. No:

Responsible Officer:
Gary Platt, Head of Property

Subject: Pavilion Gardens Development

Decision taken: To rescind the Development Agreement with Osborne (Bournemouth) Ltd dated 29th June 2012.

Reasons for the decision: The developer's failure to comply with the timescales in the Development Agreement.

Call-in and Urgency: Subject to call-in.

Background: On 29th June 2012 the Council entered into a revised contract with Osborne (Bournemouth) Ltd for the development of a multi-screen cinema, restaurants, shops and a 350 space underground car park on land adjacent to the Pavilion. This contract can be rescinded if specified funding requirements are not met by 31st December 2013. Osborne (Bournemouth) Ltd has failed to satisfy these requirements.

Options - and reasons for rejection: Not to rescind the contract and allow the developer more time to secure funding for the development. The Council first entered into contractual arrangements with Osborne (Bournemouth) Ltd on 3rd May 2007 and, despite a series of extensions and revised contracts, the developer has been unable to bring forward development on the site. There is no guarantee that a further extension would result in a start on site and it would postpone the opportunity to consider alternative delivery options.

Consultations undertaken: none applicable

Finance/Resource Implications: under the terms of the contract, Osborne (Bournemouth) Ltd is obliged to pay the initial premium even if the contract is rescinded in these circumstances. Once the site is free from these contractual arrangements, the Council would be able to consider its options for releasing further development value from this site.

Name: FERISER TASDELEN **Signature:** (of ~~Chief Finance Officer~~)
Date: 2nd January 2014 DEPUTY SISI OFFICER

Legal implications: Once formal notice is served, this will bring the contract to an end.

Name: SUSAN TURNER
Date: 2nd January 2014

Signature: *Deputy*
(of Monitoring Officer)

Risk assessment: a risk assessment shows this to be a high-risk scheme. Legal and financial advice has been sought to mitigate the risks associated with this decision.

Name: Gary Platt
Date: 2nd January 2014

Signature: **(of Officer completing assessment)**

Impact Assessments: There are no Environmental and Equality and Diversity Impacts arising from the rescission of this contract.

Information for publication: yes

Background papers:

- Cabinet Member Decision Notice published on 6th July 2012 entitled "Pavilion Leisure Quarter (Nautilus) Development"
http://www.bournemouth.gov.uk/CouncilDemocracy/AllaboutyourCouncil/CIBArchive.aspx?CIB_GenericList_List_GoToPage=4
- Cabinet Member Decision Notice published on 27th April 2012 entitled "Pavilion Leisure Quarter (Nautilus) Development"
http://www.bournemouth.gov.uk/CouncilDemocracy/AllaboutyourCouncil/CIBArchive.aspx?CIB_GenericList_List_GoToPage=5
- Cabinet Member Decision Notice published on 17th February 2012 entitled "Pavilion Leisure Quarter Development"
http://www.bournemouth.gov.uk/CouncilDemocracy/AllaboutyourCouncil/CIBArchive.aspx?CIB_GenericList_List_GoToPage=5
- Report to Cabinet on 1st February 2011 entitled, "Pavilion Gardens Development"
http://archive.bournemouth.gov.uk/main/Minutes_Agendas/Cabinet.asp
- Report to Cabinet on 15th December 2010 entitled, "Pavilion Gardens Development"
http://archive.bournemouth.gov.uk/main/Minutes_Agendas/Cabinet.asp
- Report to Cabinet on 8th September 2010 entitled, "Pavilion Gardens Development - Extension of Long Stop Date"
http://archive.bournemouth.gov.uk/main/Minutes_Agendas/Cabinet.asp
- Report to Cabinet on 5th September 2007 entitled, "Development Proposals for the Pavilion theatre, Bath Road North and Westover Gardens"
http://archive.bournemouth.gov.uk/main/Minutes_Agendas/Cabinet_Reports.asp
- Report to Cabinet on 28th March 2007 entitled, "Development Proposals for the Pavilion Theatre, Bath Road North and Westover Gardens"
http://archive.bournemouth.gov.uk/main/Minutes_Agendas/Cabinet_Reports.asp

Any conflict of interest declared by a Cabinet Member who is consulted by the Member taking the decision	Name of Cabinet Member	Nature of interest	Details of any dispensation granted by the Monitoring Officer
No			

Decision taken by:

Councillor John Beesley

Leader of the Council

Signed:

Date of decision: 2nd January 2014

Date of publication of record of decision: (to be inserted by Democratic Services)

3rd January 2014

Date decision effective – that is 5 working days after the date of publication of the record of decision unless the decision is called-in for consideration by the relevant Overview and Scrutiny Panel:

5:00pm on Friday, 10th January 2014