

<b>Item No.</b>	<b>Classification:</b> Open	<b>Date:</b> 24 August 2012	<b>Decision Taker:</b> Chief Executive
<b>Report title:</b>		Canada Water Sites A and B: Distribution of Receipts	
<b>Ward(s) or groups affected:</b>		Rotherhithe and Surrey Quays	
<b>From:</b>		Project Director	

## **RECOMMENDATION**

That the Chief Executive:

1. Approves the latest distribution of receipts arising from the sale of sites A and B at Canada Water as detailed in the closed report.

## **BACKGROUND INFORMATION**

2. By way of an agreement dated 5 April 2005 the council appointed British Land Canada Quays Ltd (BLCQ) as its master development partner for the regeneration of the Canada Water area. In summary, in return for forward funding the project BLCQ shall share in the receipt from the sale of land.
3. The parties to the agreement have reached provisional agreement on a budget to take the project to termination. It is therefore appropriate at this time to distribute surplus receipt. This is the latest in a series of distributions that have been made over several years.

## **KEY ISSUES FOR CONSIDERATION**

4. That the split of the receipt currently held in the project stakeholder account has been calculated correctly pursuant to the agreed formula so that it is appropriate to distribute the money to the council and BLCQ.
5. The distribution has been calculated by BLCQ as set out in the closed report.

## **Policy implications**

6. This report follows the decision made by the council on 14 December 2004 to enter into a development agreement with BLCQ for the regeneration of Canada Water. The distribution of receipts is a procedural issue that flows directly from the decision to enter into agreement with BLCQ and of its self does not give rise to any new policy implications.

## **Resource Implications**

7. Processing the distribution of receipts is part of the normal workload for officers in finance and regeneration so that release of this money gives rise to no additional resource requirements.

**Legal/Financial Implications**

- 8. This report deals with the distribution of receipts received from the sale of sites A and B at Canada Water and as such follows the process set out in the BLCQ development agreement dated 5 April 2005 as amended by a deed of variation dated 31 March 2011. The figures produced by BLCQ have been checked and comply with contractual requirements; in any event changes to the budget or individual cost items can be reflected at future distributions.

**Community impact statement**

- 9. As a direct result of the agreement entered into with BLCQ, Canada Water is currently undergoing extensive regeneration with the aim of creating new homes, retail, leisure, business, and community facilities. This will be of major benefit to all sections of the community.

**SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

**Director of Legal Services**

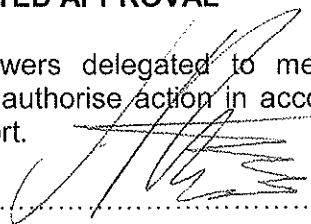
- 10. The proposed distribution follows the procedures set out in the development agreement and as such no new legal issues arise from the recommendation in this report.

**Strategic Director of Finance and Corporate Services (SDFCS) (NR/FCS/10/8/12)**

- 11. This report recommends that the chief executive approves the distribution of receipts arising from the sale of sites A and B at Canada Water.
- 12. The SDFCS notes the financial implications contained within the report, the capital receipts obtained being available for reinvestment in the capital programme. Officer time to effect the recommendation will be contained within existing budgeted revenue resources.

**FOR DELEGATED APPROVAL**

Under the powers delegated to me in accordance with the council's Financial Regulations, I authorise action in accordance with the recommendation contained in the above report.

Signature  .....

Designation *on behalf of Chief Executive* .....

Date *24/8/2012* .....

**BACKGROUND PAPERS**

Background Papers	Held At	Contact
None		

**APPENDICES**

Appendix	Title
None	

**AUDIT TRAIL**

<b>Lead Officer</b>	Jon Abbott – Project Director	
<b>Report Author</b>	James Oates, Principal Valuer	
<b>Version</b>	Final OPEN	
<b>Dated</b>	24 August 2011	
<b>Key Decision?</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments included</b>
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
<b>Cabinet Member</b>	No	No
<b>Date final report sent to Constitutional Team</b>	24 August 2012	

