

Decision Ref No:

EX.333/07

Subject Matter:**CARLISLE LOCAL ASSET VEHICLE FEASIBILITY STUDY**

The Director of Development Services submitted Report DS.129/07 setting out the key findings from the initial study into the feasibility of establishing a Carlisle Local Asset Vehicle (CLAV).

The Director summarised the key findings from the CLAV feasibility study and outlined the implications for future development and implementation of the City Council's Property Strategy. She then outlined and provided an analysis of the advantages and disadvantages the following delivery options:

Option A - Do nothing;

Option B - The City Council retains and manages its assets and undertakes site specific joint ventures;

Option C - The City Council acts as a developer;

Option D - The City Council sells some/all of its assets and seeks alternative investments to generate income;

Option E - A Carlisle Local Asset Vehicle.

The Director then outlined a number of potential options available for a CLAV and provided details of the findings from "soft market testing" with prospective property investors/developers.

In conclusion, the Director recommended that Options A, C and D should not be pursued, Options B) and E would both be capable of delivering the City Council's property objectives. In order to enable the City Council to make a fully informed decision on the most appropriate delivery mechanism, it would be necessary to undertake further work to develop a costed development and investment plan for the City Council's property portfolio.

The Economic Development and Enterprise portfolio holder welcomed the options proposed for further investigation commenting that it was a complex but important issue in driving forward economic change.

Decision:

1. The Executive agrees to continue developing two of the options for delivering the property strategy for Carlisle, being Option B (the City Council retains and manages its assets and undertakes site specific joint ventures), and, and Option E (establishing a CLAV to deliver the programme of development), with the remaining options being discounted.
2. The Executive directs the Corporate Asset Management Group to undertake further work to develop a Development and Investment plan for the City Council's property portfolio in the context of the vision for Carlisle that is set out in the draft economic strategy. This would provide a costed plan for the future management and development of the City Council's Asset Portfolio and include an assessment of delivery under both Option B and Option E.
3. The Executive refers the Report to the Corporate Resources Overview and Scrutiny Committee for comments on the findings of the review and their views on the proposed way forward.

Key or Non-Key Decision:

Key

Key Decision Ref:

KD.054/07

Portfolio: Economic Development and Enterprise and Finance and Performance Management

Who made decision: Executive

Date: 17-Dec-07

Reports and Background Papers considered:

Report DS.129/07 by the Director of Development Services.

Reasons for Decision:

To further progress the review of the City Council's Asset Portfolio and to develop proposals that would enable the delivery of the property related vision for Carlisle.

Summary of Options rejected:

The following options were rejected:

Option A - Do nothing

Option C - The City Council acts as a developer

Option D - The City Council sells some/all of its assets and seeks alternative investments to generate income.

Interests declared: None

Date published: 19-Dec-07

Urgent decision not subject to call in: No

Consent of Chairman/ Deputy Chairman of Council to Urgency: Not applicable

Deadline for call-in: 2 Jan 08 at 17:00

Implementation date if not called-in: 3 Jan 08

Relevant Overview and Scrutiny Committee: Corporate Resources Overview and Scrutiny Committee

Call-in notified to and date notified:

Approved for implementation on:
