

EXTRAORDINARY GENERAL MEETING OF THE CITY COUNCIL



18 October 2011

CABINET MINUTE OF 18 OCTOBER 2011

HOME PARK FOOTBALL STADIUM - Recommendation to the City Council

Further to the Cabinet minute below,

To Recommend to the City Council the amendment to the capital programme, as set out in the report, to incorporate the purchase of Home Park.

FOR INFORMATION ONLY -

HOME PARK FOOTBALL STADIUM - Cabinet Decisions

The Director for Development and Regeneration submitted a written report -

- (a) on an offer received from the administrator's preferred purchasers of Plymouth Argyle Football Company Limited, to sell Home Park stadium to the Council, and on the terms following which, the Council would lease the ground back to the club;
- (b) indicating that the prospective purchasers also wished to amend the covenants the Council had on adjoining land at Higher Home Park (currently owned by the football club) to align them to the Area Action Plan uses to enable the land to be used to support the future development of the football club. In addition the Council was asked to remove an option the Council had to purchase part of Higher Home Park. The value of that covenant amendment and loss of option is £425,000.
- (c) stating the terms on which such an acquisition and letting and associated land transactions could take place;
- (d) informing Cabinet Members that advice that had been sought on the proposed acquisition and letting terms, from the District Valuer. They had advised that the acquisition of Home Park by the Council on the terms set out by the prospective owners (excluding Higher Home Park) were acceptable in terms of representing value for money to the Council in the current market condition.

- (e) indicating that, in addition to the purely commercial benefits to the Council in owning and leasing out land, the City also had a role in ensuring the provision of sports and leisure facilities appropriate to a city the size of Plymouth. Further, there were economic, social and environmental advantages in securing the continuance of professional football in the city and having ownership of strategic assets which, if lost, would have a detrimental impact on other land owned by the Council.

Agreed –

- (1) the purchase of Home Park stadium on open market terms at a price of up to £1.6m plus ancillary costs (Stamp Duty Land Tax and surveyor's fees) and a lease back to the club for 30 years at an initial rent of £135,000 per annum. This is subject to Council approval of the capital expenditure and confirmation that the Football League has approved the purchase of the club by Mr Brent's company;
- (2) that approval is given to the amendment of the restrictive covenants on use and development on Higher Home Park to accord with the Central Park Area Action Plan and the removal of the option to purchase part of Higher Home Park, together valued at £425,000, on the terms set out in the report;
- (3) that authority to finalise the legal, financial and due diligence arrangements is delegated to the Chief Executive, in consultation with the Council Leader, Director for Development and Regeneration, Director for Corporate Support and the Monitoring Officer.

Note: This item has been designated as urgent in accordance with the provisions of the Constitution and is not subject to the call in procedure.

Note:

The full report in connection with this minute is available on the website

www.plymouth.gov.uk/democracy

or by contacting Democratic Support on 01752 304867