

Decision Title:

CPIF Incentive Award – Promenade Park Properties Ltd

Is this decision Key or Non-key?

Non-key

If the decision is Key, has the decision been published on the Forward Plan?

N/A

Is this decision subject to Call-in?

No

Decision:

Not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, Information relating to the financial or business affairs of any person (including the authority holding that information).

Being in line with the original delegation agreed and published for implementation on 22 February 2022, and accepted by the North East CA Cabinet in May 2024 (item 6), the NECA Chief Executive Officer, is recommended to approve £1m Commercial Property Investment Fund Incentive Award to Promenade Park Properties Ltd for the development of East Gate Point, Sunderland, subject to the following conditions:

- I. Incentive Award of £1m grant to be part of full funding package alongside £5,465,166 CPIF Loan and £2,200,000 Equity from Promenade Park Properties Ltd.
- II. Application of appropriate clawback clause on the Incentive Award, to include following triggers:
 - a. The clawback provision will be based on sales/valuation that exceed(s) an agreed profit of 15% that would confirm outperformance against expectations with respect to sale price/mature valuation. This performance will be measured following each phase, with clawback to be calculated on a cumulative basis following completion of both phases.
 - b. The Incentive funding agreement to include key milestone/target dates to ensure each development phase proceeds. Failure to meet these targets will trigger full repayment of incentive funding.
 - c. Change of circumstances, such as sale of the development land before completion of all phases, will trigger full repayment of incentive funding
- III. Finalisation of Incentivisation Award agreement to satisfaction of NECA Legal, including receipt of necessary Subsidy Control Advice.

Delegation:

NTCA Delegated Decision Report – LEP Funding Decisions 22 February 2022
North East CA Cabinet meeting 6 June 2024 - Minute C7/5/24

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Consultation:

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| Monitoring Officer: | Yes |
| Director of Finance and Investment: | Yes |
| Portfolio Holder: | Yes |
| Mayor: | |

Name and Title of the Decision-Maker:

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| Dr Henry Kippin, Chief Executive Officer, North East Combined Authority |
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Contact Officer:

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| Matt Ebbatson, Programme Manager Matthew.ebbatson@northeast-ca.gov.uk |
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Signature (Decision-Maker) 

Date of signing 12/12/2025