

Public Document Pack

To all Members of the

CABINET

AGENDA

Notice is given that a Meeting of the Cabinet is to be held as follows:

VENUE Room 007a and b, Civic Office, Waterdale, Doncaster, DN1 3BU
DATE: Tuesday, 15th August, 2017
TIME: 10.00 am

ITEMS

1. Apologies for Absence.
2. To consider the extent, if any, to which the public and press are to be excluded from the meeting.
3. Public Questions and Statements.

(A period not exceeding 20 minutes for questions and statements from members of the public and Elected Members to the Mayor of Doncaster, Ros Jones. Questions/Statements should relate specifically to an item of business on the agenda and be limited to a maximum of 100 words. As stated within Executive Procedure Rule 3.3 each person will be allowed to submit one question/statement per meeting. A question may only be asked if notice has been given by delivering it in writing or by e-mail to the Governance Team no later than 5.00 p.m. on Thursday, 10th August, 2017. Each question or statement must give the name and address of the person submitting it. Questions/Statements should be sent to the Governance Team, Floor 2, Civic Office, Waterdale, Doncaster, DN1 3BU, or by email to Democratic.Services@doncaster.gov.uk).

Jo Miller
Chief Executive

Issued on: Monday, 7 August 2017

Governance Officer for this meeting: Andrea Hedges
01302 736716

4. Decision Record Forms from the meeting held on 18th July, 2017 for noting (previously circulated).
5. Declarations of Interest, if any.

A. Reports where the public and press may not be excluded

Non-Key Decision

6. DARTS Teacher in Role Project. 1 - 8

Key Decisions

7. Funding for structural investigations and interim repairs at former St James' Baths, 72 Waterdale, Doncaster, DN1 3BU. 9 - 14
8. Savoy Cinema and Restaurants – Civic and Cultural Quarter. 15 - 76
(Appendices 1 and 2 of the report contain exempt information within paragraph 3 of Part 1 of Schedule 12A of the Local Government Act, 1972, as amended, information relating to the financial or business affairs of any particular person (including the authority holding that information)).
9. Proposed Sale of 4.3 acres of Land at Carr House Road. 77 - 84
(Appendix 1 of the report contains exempt information within paragraph 3 of Part 1 of Schedule 12A of the Local Government Act, 1972, as amended, information relating to the financial or business affairs of any particular person (including the authority holding that information)).
10. Proposed disposal of Barnburgh Grange Farm. 85 - 92
(Appendix 1 of the report contains exempt information within paragraph 3 of Part 1 of Schedule 12A of the Local Government Act, 1972, as amended, information relating to the financial or business affairs of any particular person (including the authority holding that information)).

Cabinet Members

Chair

Ros Jones, Mayor of Doncaster

Vice-Chair

Councillor Glyn Jones, Deputy Mayor

Councillor Nigel Ball

Councillor Joe Blackham

Councillor Rachael Blake

Councillor Nuala Fennelly

Councillor Chris McGuinness

Councillor Bill Mordue

Councillor Jane Nightingale

Portfolio Holder for:

Housing and Equalities

Public Health, Leisure and Culture

Highways, Street Scene and Trading Services

Adult Social Care

Children, Young People and Schools

Communities, Voluntary Sector and the Environment

Business, Skills and Economic Development

Customer and Corporate Services

**To the Chair and Members of
CABINET**

DARTS TEACHER IN ROLE PROJECT

Relevant Cabinet Member(s)	Wards Affected	Key Decision
Councillor Nualla Fennelly, Cabinet Member for Children, Young People and Schools	Edlington Stainforth Armthorpe Thorne Moorends Woodlands Balby	No

EXECUTIVE SUMMARY

1. TEACHER IN ROLE PROJECT in conjunction with DARTs (Doncaster Community Arts)

This project is designed to provide:

- Targeted support for Y3/4 pupils by using creative drama based approaches to improve reading and writing skills.
- Working in role will provide exciting and purposeful contexts for children to develop key skills in reading and writing.
- This project aligns very closely with Doncaster LA Raising Achievement and Aspirations Strategy which has the development of wider literacy skills as a key priority.
- Training for subject leaders and resources to support learning.
- 8 schools have now been identified as participating in this project from September 2017.
- Funding for this project was agreed by Schools Forum on 15/2/17.

EXEMPT REPORT

2. There is no exempt information contained in the report.

RECOMMENDATIONS

3. To give a grant of £67,764.50 to Doncaster Community Arts (DARTS) for the development of a creative project to further develop literacy through developing drama techniques in 8 identified schools with at least 30% of pupils in receipt of Pupil Premium funding. This project has already been approved by Schools Forum at its meeting on 15 February 2017.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

4. This has the potential to impact upon all of the Council's key objectives by holding

decision makers to account, reviewing performance and developing policy.

BACKGROUND

5. The Doncaster LA Reading Strategy in 2016–17 has very much focused on securing high quality teaching and provision for reading with a view to improving outcomes in Doncaster schools. In the next academic year, 2017-18, the aim is to build on these improvements and encourage schools to look at creative approaches to curriculum development that will impact on reading and writing. This project from DARTS fits within this over-arching aim to encourage those schools who have already demonstrated their capacity to improve teaching and learning to explore innovative approaches to curriculum delivery. Another criterion was that schools could only apply who had at least 30% of their pupils in receipt of Pupil Premium funding.
6. DARTS (Doncaster Community Arts) seeks support for a year-long programme of targeted technique of teaching 'in role' activity through drama in 8 primary schools, across the 4 locality areas to improve reading and writing. Darts practitioners have extensive experience of delivering this proven approach and it has a proven and significant impact on attainment in literacy. For example: In a Year 1 class – 72% of pupils we worked with over a year achieved expected or greater than expected progress in writing; of these almost two thirds achieved greater than expected progress.
7. *Teacher in role* is a method of teaching that utilises techniques of drama to facilitate education. It is a holistic teaching method designed to integrate critical thought, examination of emotion and moral values and factual data to broaden the learning experience and make it more relevant to everyday life situations.
8. Schools that express an interest in the project will need to apply to demonstrate their commitment to the project.
9. *There is capacity for a minimum of 8 schools within the project. This equates to 2 schools per locality but there may be capacity for more schools to participate depending upon the size of the school and class organisation
10. Schools will be invited to apply after the project is launched later this year.

Project Details

11. Each successful school will have a drama practitioner in residence for one day per week for three half terms over an academic year beginning in September 2017. This practitioner will model the approach and develop school staff to deliver this approach as part of Literacy sessions and wider curriculum subjects. The essence of this project is that it delivers skills to teachers that can be used to develop reading and writing across the wider curriculum.
12. In each half term between artist-led sessions, the link teachers will receive support and planning to deliver the in-role approach. Two teachers in each school will work in partnership with the drama practitioner to embed this creative approach. This partnership working encourages sharing and support between the teaching team and ensures a working legacy for each school.

13. *There may be capacity for more schools to participate, depending upon the size of school. For example in a one form entry school, only one class would participate. Similarly if it was a school with a mixed age Y3/4 class, only one class would participate.
14. The programme will be launched during the first half of the summer term with a presentation and interactive workshop. Schools would be invited to apply and would be selected before the end of the academic year. Delivery of the programme would begin in September 2017 and run until July 2018. The core purpose of this programme is to improve outcomes in English through raising attainment in reading and writing at lower KS2. Schools that are successful in their application to join the programme will have to demonstrate a commitment to improving outcomes and a commitment to developing reading and writing skills through the wider curriculum.
15. The expectation is that teachers who have been involved in the project will cascade good practice into other classes and eventually to other schools in the locality.
16. A further expectation is that each school will produce a case study of the impact of the project with baseline data and exit data including assessment information and attitudinal surveys.
17. The programme will impact on attainment in reading and writing, whilst at the same time ensuring a legacy of learning for staff and pupils beyond the life of the sessions. With guidance from strategy leads at DMBC, lower KS2 (Y3/4) has been identified as the target cohort where this project could demonstrate real impact on in- year progress, preparing pupils for transition into upper KS2 and developing their readiness and appetite for ever more challenging texts. Y3/4 have been identified as the most appropriate year groups although there may be some flexibility around this, particularly in smaller one form entry schools or those with mixed year group classes.
18. The programme takes key challenging texts from Pie Corbett's Reading Spine recommendations for Y3/4. The interventions will focus on explicit teaching of inference, essential skills including character-based work, developing range and depth of vocabulary.
19. Planning and resources will make explicit links to speaking and listening objectives in the National Curriculum.
20. Planning will take into account the needs of the children to ensure that appropriate learning takes place.

An Example of Teaching in Role

21. A drama practitioner works with a school alternating over three half terms, spending one day per week with two classes from each year group. She takes the role of an aspiring firework maker called Lila, from Philip Pullman's 'The Firework Maker's Daughter' encouraging the children to become quest makers whose job it is to design Lila a successful mission. All topic work is approached from this specific point of view. Children are set specific linked reading and writing activities to follow on from the drama practitioner delivered weekly sessions. This will contribute to consolidation of learning by the children and allow tracking of their understanding. The children take on a range of expert roles which engage them deeply and challenge them to communicate complex ideas.

22. Teachers are able to observe the drama practitioner modelling techniques for teaching in role, before gradually taking a more active part in sessions and leading lessons in role independently. Each session is followed by reflection and planning time to ensure teachers have the opportunity to discuss and develop their own practice. Training sessions will run through the academic year jointly led by the drama practitioner and the teachers involved. This approach allows learning and teaching resources to be shared with all teachers in the schools across the locality areas and supports them to plan how teaching in role could be applied to future texts. Short films could be made to illustrate approaches.
23. We will track attainment data in partnership with schools, working from baseline literacy assessments carried out with the cohort of pupils, through the schools existing tracking methods. Impact will be measured on both the pupils and teachers. Reporting will feed into the Schools Forum in line with standard assessment schedules. This could look different in each school depending on assessment and tracking processes.
24. We would seek support from the LA Standards and Effectiveness team to ensure this aligns to other data collection processes.
25. Over the *8 schools, the programme will cover the range of Y3/4 texts, building up resources and planning to share with the network of teachers created. All the resources would be available to cascade in the pyramids and training for subject leaders will be offered through locality meetings
26. Schools will be invited to apply to join the project. The selection criteria will focus on the school's capacity to cascade learning, embed approaches and make a difference for children. Eight schools applied for the project. Three other schools expressed an interest in the project but did not meet the criterion for 30% or more disadvantaged pupils. This indicates that there would be potential for DARTS to run the project again next year. This would help the sustainability of the project as a successful first year with a measurable improvement in outcomes, together with positive feedback from participating schools, would help DARTS apply for further funding. Schools could be invited to apply for the next phase of the project with a contribution from schools topped up by grant funding from a range of external sources.

The schools participating are:

School	2016 KS2 Reading outcomes % at ARE
Edlington Victoria	46%
Edlington Hill Top	86%
Balby Central	43%
Woodfield	58%
Woodlands	48%
Shaw Wood	59%
West Road	52%
*Long Toft	40%
*Kirton Lane	46%

*These two schools will be working very closely together and sharing resources. Of the 9 schools in the project, only one, Edlington Hill Top, has Reading outcomes above the 2016 national average of 66%.

Costings (Impact across all Pyramids and Localities)

27. The programme would begin in *8 schools in September 2017 and would continue for 1 full academic year.
28. This would be an equivalent of 2 schools per locality.

Per School Costs	Based on 1 artist,* 2 classes per school, 3 half terms of delivery per school	
Total Costs per school	Covers all artist delivery, planning, travel, materials and project management	£8,471
Number of schools		*8
Class size (Average)		25
Total programme cost		£67,764.50
Cost per child		£169
Cost per child per day		£9.41
Number of Children		400
Contact days		144

*dependent upon the size of school

Financial Year Breakdown

			2017		2018			2018
			Aut 1	Aut 2	Spring 1	Spring 2	Summer 1	Summer 2
	*8	Schools	£ 11,294	£ 11,294	£ 11,294	£ 11,294	£ 11,294	£ 11,294

OPTIONS CONSIDERED

29. There are no alternative options within this report as the intention is to provide the Committee with an opportunity to note and consider the information presented. The project was approved by Schools Forum on 15 February 2017.

REASONS FOR RECOMMENDED OPTION

30. This project aligns with the Raising Aspirations and Achievement Strategy and is seen as a key part of next years' Reading Strategy. It also aligns with the SMOA activity strand around **100 things for all Doncaster children to do before 11.**

IMPACT ON THE COUNCIL'S KEY OUTCOMES

31.

	Outcomes	Implications
	All people in Doncaster benefit from a thriving and resilient economy.	This has the potential to have an impact on all the Council's key objectives

	<ul style="list-style-type: none"> • <i>Mayoral Priority: Creating Jobs and Housing</i> • <i>Mayoral Priority: Be a strong voice for our veterans</i> • <i>Mayoral Priority: Protecting Doncaster's vital services</i> 	
	<p>People live safe, healthy, active and independent lives.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Safeguarding our Communities</i> • <i>Mayoral Priority: Bringing down the cost of living</i> 	
	<p>People in Doncaster benefit from a high quality built and natural environment.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Creating Jobs and Housing</i> • <i>Mayoral Priority: Safeguarding our Communities</i> • <i>Mayoral Priority: Bringing down the cost of living</i> 	
	<p>All families thrive.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Protecting Doncaster's vital services</i> 	
	<p>Council services are modern and value for money.</p>	
	<p>Working with our partners we will provide strong leadership and governance.</p>	

RISKS AND ASSUMPTIONS

32. There are no specific risks associated with this report.

LEGAL IMPLICATIONS

33. Section 1 of the Localism Act 2011 provides the Council with a general power of competence, allowing the Council to do anything that individuals generally may do. Section 111 of the Local Government Act 1972 gives the Council the power to purchase goods and services.

34. S13 of the Education Act 1996 provides that a local education authority shall, so far as their powers enable them to do so, contribute towards the spiritual, moral, mental and physical development of the community by securing that efficient primary education and secondary education are available to meet the needs of the population of their area.

35. The Council's Financial Procedure rules E14, 15 and 16 must be complied with.

36. Legal services should be consulted in the preparation of the grant agreement which should contain provisions which protect the Council

FINANCIAL IMPLICATIONS

37. The grant to be made to DARTS of £67,765 requires Cabinet approval as it has a financial value greater than £50k, as covered under financial procedure rule (FPR) E14. An appropriate funding agreement with DARTS will also be required, as outlined in FPRs E15-E16.
38. Funding for this project was agreed at School Forum on 15th February 2017 (School Forum approved funding of £67,765 for additional Early Help work, from the Dedicated Schools Grant, so that the LA could free up the equivalent general fund resource of £67,765 to fund this project). This funding would be drawn down as the project incurs the expenditure. There will be regular reports to School Forum where spending will be detailed. At the end of the project, a full financial report will be submitted.

HUMAN RESOURCES IMPLICATIONS

39. There are no specific HR implications arising from this report in relation to council employees however we will need to ensure that DARTS provide suitably qualified staff to work with schools, including ensuring appropriate safeguarding measures are in place.

TECHNOLOGY IMPLICATIONS

40. There are no technology implications arising from this report.

EQUALITY IMPLICATIONS

41. There are no significant equality implications associated with this report. Due consideration is given to the extent to which the Council has complied with its Public Equality Duty and given due regard to the need to eliminate discrimination, promote equality of opportunity and foster good relations between different communities.

CONSULTATION

42. This project was discussed at length and agreed at The Schools' Forum meeting of 15 February 2017. Schools have been invited to apply for the project and the successful schools have been identified and notified.

BACKGROUND PAPERS

None.

REPORT AUTHOR & CONTRIBUTORS

Paul Ruane
Head of Education, Learning and Opportunities: Children and Young People
Telephone: 01302 737658
Email: paul.ruane@doncaster.gov.uk

Damian Allen
Director of People (DCS/DASS)

This page is intentionally left blank

**To the Chair and Members of the
CABINET**

Funding for structural investigations and interim repairs at former St James' Baths, 72 Waterdale, Doncaster, DN1 3BU

Relevant Cabinet Member(s)	Wards Affected	Key Decision
Councillor Joe Blackham	Town Ward	Yes

EXECUTIVE SUMMARY

1. The purpose of this report is to allocate £300,000 from the Council's General Reserves to undertake structural investigation, analysis and reporting, plus identified interim repair works at the former St James' Baths. Subject to the findings of the structural investigations further interim stabilisation work may be required.
2. The aim of the work is to identify the extent of structural defects and recommendations for addressing, if possible. The information will support future options for the building, which could include disposal, refurbishment or should no other option be viable, an application to de-list.
3. The funding will also provide temporary repairs to an area where a flat roof has collapsed over the 'Turkish baths'.

EXEMPT REPORT

4. Not applicable

RECOMMENDATIONS

5. That Cabinet support the decision to allocate £300,000 from the Council's General Reserves to undertake survey work to ascertain the viability of refurbishing St James' Baths. Undertaking the survey works will enable the Council to establish a clear position as to whether there are any possible areas of St James' Baths which can be retained/refurbished.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

6. It is a key outcome for the Council that people in Doncaster benefit from a high quality built and natural environment.

BACKGROUND

7. St James' Baths is a grade II listed building. The listing covers the whole of the building, not just certain elements. This means that to carry out any works (including repairs) to the building which would affect its character as a building of special architectural or historic interest, then listed building consent will be required.
8. The baths are in a poor state of repair and have suffered a roof collapse. To fully understand the structural condition of the building, Historic England have advised that the steel frame to the pool hall should be subject to detailed intrusive investigations to determine the extent and severity of corrosion and similar for the pool tank/ perimeter subway tunnel. In light of this, the Council instructed Faithful & Gould to undertake a visual inspection of the site and produce an opening up schedule and material testing report to show the location of recommended intrusive inspections and the type of material tests needed to ascertain the viability of refurbishing the building for future use.
9. Historic England have confirmed that they consider the spread of test locations suggested by Faithful & Gould is the right approach and will provide detailed information on the state of the structure. Hopefully, this will then help to indicate the areas of the building which can be retained/refurbished.
10. The information as outlined above would also be required, should the Council be left with no alternative option but to seek the eventual de-listing of the building.
11. The required work will potentially be completed over two stages as detailed beneath:-

Stage 1 survey work and the associated internal propping (~£150k):

- Clearance of the debris from collapsed roof
- Propping system to the floors and roof of the former fitness suite and change areas above the Turkish baths.
- Tower scaffolds to provide working platforms at pool eaves level to facilitate structural surveying
- Design and Project management Fees for the above
- Structural investigations, analysis and reports

Stage 2 (if required):

- Once we have the survey information this will assist us in making a decision on the future of the building.
- It is expected however that there will be other information needed which will lead to the requirement for expenditure above and beyond the

£150k, including the possible need for additional immediate repair works to be completed that we are not aware of at the present time.

- There is currently no identified budget for any of this work. It is requested that a provisional further £150k be allocated for this purpose. We have based this on the Stage 1 costs.

12. There is currently no identified budget for any of this work and so a total of £300k is requested from the General Reserves.
13. Current empty property holding Costs for St James' Baths vary from year to year as they are largely dependent upon reactive repair and maintenance requirements. Holding costs for the year 2015-2016 were £7,358 whereas costs for 2016-17 were £32,070 (this included some backdated electricity costs of £24k). There is a budget of £10,000 for the holding costs of the building.

OPTIONS CONSIDERED

14. ***Do nothing (not recommended)***
If the Council allows the St James' Baths building to remain in its current state and does not keep it wind proof and water tight, we could be considered to be allowing the building to further deteriorate. In such circumstances Historic England could take action to secure repair through an 'urgent works notice'. The Council would be likely to be liable for any costs resulting from such works.
15. ***Undertake survey work to ascertain the viability of refurbishing St James' Baths (this is the recommended option)***
Details of the proposed survey works and the rationale for undertaking these are provided within the main body to this report.

REASONS FOR RECOMMENDED OPTION

16. Undertaking the survey works will enable the Council to establish a clear position as to whether there are any possible areas of St James' Baths which can be retained/refurbished. Having the results of the survey works will also form an essential part of any future application the Council might wish to submit to seek the eventual de-listing of the building.

IMPACT ON THE COUNCIL'S KEY OUTCOMES

17.

	Outcomes	Implications
	<p>All people in Doncaster benefit from a thriving and resilient economy.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Creating Jobs and Housing</i> 	

	<ul style="list-style-type: none"> • <i>Mayoral Priority: Be a strong voice for our veterans</i> • <i>Mayoral Priority: Protecting Doncaster's vital services</i> 	
	<p>People live safe, healthy, active and independent lives.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Safeguarding our Communities</i> • <i>Mayoral Priority: Bringing down the cost of living</i> 	
	<p>People in Doncaster benefit from a high quality built and natural environment.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Creating Jobs and Housing</i> • <i>Mayoral Priority: Safeguarding our Communities</i> • <i>Mayoral Priority: Bringing down the cost of living</i> 	<p>Underutilised and vacant properties are prone to vandalism and anti-social behaviour. Ensuring that appropriate solutions for these buildings to bring them back into use where possible or to identify alternative options for their future use/retention where not, will improve neighbourhoods and communities.</p>
	<p>All families thrive.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Protecting Doncaster's vital services</i> 	
	<p>Council services are modern and value for money.</p>	
	<p>Working with our partners we will provide strong leadership and governance.</p>	

RISKS AND ASSUMPTIONS

18. The main risk associated with not taking this decision is that the Council might be considered (by Historic England) to be allowing the St James' Baths building to further deteriorate, as a result of which action to secure repair through an 'urgent works notice' could be served. Such action may prove costly to the Council.

LEGAL IMPLICATIONS

19. Section 1 of the Localism Act 2011 provides the Council with a general power of competence, allowing the Council to do anything that individuals generally may do. Section 111 of the Local Government Act 1972 gives the

Council the power to purchase goods and services.

20. Section 7 of the Planning (Listed Building and Conservation Areas) Act 1990 prohibits any unauthorised work to a listed building which would affect its character as a building of special architectural or historic interest. It is recommended that prior to carrying out the works the opinion of the Planning Service is sought to confirm that listed building consent is not required for the works.
21. The procurement of works must be in accordance with the Council's contract procedure rules.
22. The Council has legal duties over Health & Safety in relation to its buildings.
23. Legal Services should be consulted at the earliest opportunity to provide the contractual documentation.

FINANCIAL IMPLICATIONS

24. The costs associated with this decision have been estimated at £300k (£150k for stage one and £150k for stage two).
25. The first stage of the works are revenue in nature but the second stage may need to be classed as capital expenditure once the specific nature of the work is established. At that time the project may need to be added to the Council's capital programme which will require further formal approval.
26. Uncommitted general fund reserves are currently £12.8m.

HUMAN RESOURCES IMPLICATIONS

27. There are no HR implications.

TECHNOLOGY IMPLICATIONS

28. There are no direct implications with implementing the recommended option detailed within this report. If through implementing the recommended option ICT requirements are identified, they should be submitted via Business Case to the ICT Governance for full technical consideration as well as network and data security.

EQUALITY IMPLICATIONS

29. There are not considered to be any equality implications associated with this decision.

CONSULTATION

30. Consultation has been undertaken with Historic England who have

confirmed their support to the proposed approach in order to provide detailed information on the state of the structure of the St James' Baths building.

BACKGROUND PAPERS

31. None

REPORT AUTHOR & CONTRIBUTORS

Gillian Fairbrother, Assets Manager, Project Co-ordinator
01302 862561 gillian.fairbrother@doncaster.gov.uk

Adam Midgley, Head of Property and Construction Services
01302 737316 adam.midgley@doncaster.gov.uk

Peter Dale
Director of Regeneration & Environment

To the Chair and Members of Cabinet

SAVOY CINEMA AND RESTAURANTS – CIVIC AND CULTURAL QUARTER

Relevant Cabinet Member(s)	Wards Affected	Key Decision
Cllrs Joe Blackham and Bill Mordue	All	Yes

EXECUTIVE SUMMARY

- 1 The disposal of land at Civic and Cultural Quarter (CCQ) known as ‘Savoy Cinema Site’ has been a longstanding leisure based development opportunity and was part of the Muse Development Agreement.
2. This site has been brought forward to Cabinet (02/08/2016) before for approval for Sheffield City Region Infrastructure Fund (SCRIF) funding, as per Appendix 1. However, due to Muse being unable to make it work commercially, the proposal stalled.
3. This paper now seeks approval to proceed with the Savoy Cinema Development with the Council acting as landowner, funder, developer and landlord of the completed development.
4. Once completed it will create an annual rent (details of which are expanded upon in the financial appendix), 100 jobs, an estimated rateable value of circa £530,000 and an enhanced CCQ leisure offer.
5. It is proposed that the Council will enter into lease negotiations with potential occupiers with a view to opening the scheme by September 2019.

EXEMPT REPORT

6. This report is not exempt however; there are a number of financial and commercial matters contained within Appendices 1 and 2 to the report which are commercially sensitive information. Therefore, Appendices 1 and 2 are NOT FOR PUBLICATION because it contains exempt information under Paragraph 3 of Part 1 of Schedule 12 (a) of the Local Government Act 1972 (as amended), information relating to the financial or business affairs of any particular person (including the authority holding that information).

BACKGROUND

7. The Council had a ten year Development Agreement with Muse Developments Limited (“Muse”) which was entered into in 2009. The agreement had been the foundation of the developments in the Civic and

Cultural Quarter including the successful on time and within budget development of the Civic building, the Cast building, the Gables housing development and Sir Nigel Gresley Square and public realm. However, the agreement also covered a range of other sites, including the Savoy Cinema. The original agreement would have seen many underway by now however due to a variety of economic and other reasons are yet to be developed.

8. The Development Agreement has now come to an end which allows the Council to step in and bring forward a number of development proposals that have previously stalled.
9. The Cultural Quarter has recently been transformed into a destination in its own right with the £20m Civic offices and the £22m Cast performance venue. The challenge is to now maximise the energy created by building on this with the Savoy Cinema development and the new Library.
10. The Council owns the site, the development has planning consent, Savoy Cinema is ready to work with the Council and there are restaurant occupiers wanting to come to the development. The scheme has the benefit of approved SCRIF funding of £634,000 for the public realm aspect of the proposal. As background the SCRIF business case is set out in Appendix 1. There is however still a lot of work to do to finalise the total cost. The figures presented in this paper are indicative and have taken account of the total costs. It is hoped that as the due diligence progresses the budget will reduce.
11. If the scheme was a commercial property investment opportunity it would meet with the Cabinet approved criteria for property investment as detailed in this report. The intention is for the Council to fund and build the scheme as a whole.
12. The cinema element of the scheme is then sold to the Savoy Cinema Group for a capital receipt. The restaurant element of the scheme is retained by the Council and let out on a commercial basis. Prior to the commencement of the construction, an agreement with at least two restaurateurs will need to be signed. This will satisfy the conditionality of the Savoy agreement and ensure that the Council cover their costs – (see Appendix 2 – Financial Summary).
13. The proposal has the support of the Property Investment Fund Board. However, due to the amount of investment required the scheme cannot be funded from within the currently approved Property Investment Fund. The Property Investment Board therefore recommended that the scheme be referred to the Investment and Modernisation Fund due to the clearly identified regeneration benefits.
14. There is demand for the scheme from restaurants, pubs and coffee houses, however the developer had been unable to make it work; taking into account their specific requirements for profit from the scheme, land assembly and disposal costs.
15. The Council is in a unique position to make a currently stalled scheme viable as the Council is the landowner and will retain part of the investment.
16. There will be long-term leases on a rent plus service charge basis to financially strong national tenants. The projected return sits within the 5-10%

Property Investment Fund target yield – (see the financial summary to see how the proposal compares to the Property Investment Fund investment criteria). However until we agree leases, incentives and the final build costs the final return cannot be confirmed.

17. The development will be designed to have a 50 year lifespan with all leases granted on Full Repairing and Insuring terms with service charges for common areas.
18. As part of the £4.662m Asset Transformation Programme savings, £1,041m was identified as being from income generation. The majority of this income will come from commercial property investment acquisitions. Cabinet subsequently approved a Property Investment Fund for this purpose. The report and decision can be found at:

<http://doncaster.moderngov.co.uk/mgDecisionDetails.aspx?Ild=4057&Oprt=1>

19. The fund will be used to acquire investments based on core investment targets and risk management. These include targeted returns of 7% over the total portfolio, investment parameters of between 5% and 10%, clear risk management with a balanced portfolio of properties and easy management or cost recovery of management.
20. The opportunity for the Council to bear the costs of development of Savoy Site and retain the asset for its rental income may meet the investment returns criteria identified in the Property Investment Fund at the least and cover the cost of borrowing at worst.
21. Once built and fully let it is estimated that the development will generate revenue, 100 jobs and 530k business rates from the Cinema and five restaurant units at the initial investment cost as identified within Appendix 2. For the returns see the attached IRR calculations in Appendix 2.

RECOMMENDATION

22. That Cabinet notes the contents of this report and approves the following:
 - Proceed with work to finalise plans, drawings and planning conditions.
 - Delegate authority to the Council's Property Officer to negotiate terms and enter into conditional agreements to lease with five potential operators for the proposed units on the site.
 - Delegate to Director of Regeneration & Environment and Senior Finance Officer of Finance & Corporate Services (in consultation with the Mayor) the decision to proceed once the Cinema operator and tenant pre lets have been secured and there is sufficient contracted income for the Council to cover its costs..
 - Procure and enter into an agreement to build in accordance with the Council's Contract Procedure Rules at the budgets identified in the report.

- Add the Savoy Cinema development to the Regeneration & Environment Capital Programme for 2017/18;
- Virement of the Finance & Corporate Services Capital Programme, which contains the Investment & Modernisation Fund allocation, into the Regeneration & Environment Capital Programme, where this scheme will be delivered and monitored.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

23. This undeveloped site, once completed, will provide the citizens of Doncaster with a secure income stream, a new leisure venue, around 180 new jobs and encourage use of the surrounding leisure facilities by the increase in visitor numbers.
24. This proposal sees the Council using its unique position to exploit its asset base to develop opportunities which create jobs growth and revenue through the generation of new rents and business rates.

OPTIONS CONSIDERED & REASONS FOR RECOMMENDED OPTION:

25. There are two key options available to the Council and these are set out below.

Option 1: Proceed with a disposal of the land by tendering the site for sale for around £525,000.

Option 2: Seek a second JV partner to work with to bring the development forward.

Option 3: DMBC step in as developer and landlord.

The recommended option is Option 3.

26. If the Council steps in as developer this will provide the best opportunity to ensure that the development comes forward creating an estimated 100 jobs, £530k of new business rates, a high quality revenue stream, and enhanced CCQ leisure offer. The scheme is just viable, for the Council, as the Council can fund the development at a lower rate of interest than a development company. As the Council will retain part of the development as an investment there are limited disposal costs that a developer would have to include as part of their proposal. Given recent experience and market conditions there is little confidence that Option 1 and 2 will bring forward a viable scheme given that development of the site has previously failed to achieve this.

IMPACT ON THE COUNCIL'S KEY OUTCOMES

	Outcomes	Implications
	<p>All people in Doncaster benefit from a thriving and resilient economy.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Creating Jobs and Housing</i> • <i>Mayoral Priority: Be a strong voice for our veterans</i> • <i>Mayoral Priority: Protecting Doncaster's vital services</i> 	<p>There are no negative implications with this recommended course of action. By developing out the site DMBC will secure an opportunity to create new jobs.</p>
	<p>People live safe, healthy, active and independent lives.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Safeguarding our Communities</i> • <i>Mayoral Priority: Bringing down the cost of living.</i> 	<p>There are no negative implications that may impact on the councils key objectives.</p>
	<p>People in Doncaster benefit from a high quality built and natural environment.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Creating Jobs and Housing</i> • <i>Mayoral Priority: Safeguarding our Communities</i> • <i>Mayoral Priority: Bringing down the cost of living.</i> 	<p>This scheme will see development of a prime plot of land that has remained undeveloped at CCQ for a number of years.</p>
	<p>All families thrive.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Protecting Doncaster's vital services.</i> 	<p>There are no negative implications.</p>
	<p>Council services are modern and value for money.</p>	<p>This approach will improve value for money by releasing value from land that the council owns.</p>
	<p>Working with our partners we will provide strong leadership and governance.</p>	<p>There are no negative implications.</p>

RISKS AND ASSUMPTIONS

27. If it does not proceed the land will lie vacant until an alternative purchaser is found.
28. The Council can proceed and take advantage of this opportunity whilst there is demand from a Cinema operator and for the leisure units from restaurants and pub operators. The restaurateurs are largely suffering from tough trading

conditions and so negotiations may be difficult to bring to a head.

29. There is a risk that the calculated yield/IRR will not be achieved if operators for enough of the units cannot be secured, which could mean a financial loss for the council. The development will not commence until leases are in place with enough of the occupiers to ensure this risk is mitigated. Should the scheme only generate the worst case of just two lettings then the scheme would not meet its cost of borrowing let alone the investment criteria as set out by the PIB.
30. The construction costs are detailed but may need updating depending on how the final schemes progresses. However a fixed price contract will be negotiated to mitigate this risk of cost over runs.
31. In the construction budget allowances have been made for abnormals. However these assumptions may prove to be on the low side.

LEGAL IMPLICATIONS

32. S2 Local Authorities Land Act 1963 gives the Council power to erect buildings for the improvement of their area. The provision of a new leisure area for Doncaster together with the creation of circa 180 jobs will improve the area both socially and economically.
33. The works identified in this report will be above the OJEU threshold for works contracts and must be procured in accordance with the Public Contracts Regulations 2015 or through a compliant framework.
34. The report author should consult with procurement to ascertain whether there are any appropriate framework agreements to which the Council has access.
35. The potential tenants of the development should enter into a conditional agreement to lease prior to the Council committing to carrying out the development to minimize risk of there not being an end user at the completion of the works and to protect the Council's anticipated income stream. Specific legal advice on the terms of the agreements to lease should be sought at the appropriate time.

FINANCIAL IMPLICATIONS

36. This section summarises the financial implications. A more detailed breakdown of the financial implication has been appended.
37. The capital costs are part funded through prudential borrowing and part through revenue costs will be met from first year's rental income.
38. The project is expected to deliver on-going annual savings per annum from 2019/20 onwards after construction is complete and tenants are in place. Indicative borrowing costs for have been modelled and can be found in the appendix.

39. The borrowing costs have been modelled assuming a 50 year life for the development. The interest rate applied to calculate the borrowing costs is the 50-year PWLB maturity rate plus 0.5% IMF risk factor (in-line with IMF guidance). The resultant rate used is 3.14%.
40. As stated above the gross will contribute to the £450k target for income through investment property. If the £450k is overachieved the savings will be put towards the overarching Appropriate Assets savings target of £5.05m.
41. If it decided not to pursue the project after spending the initial costs then these costs will be considered as abortive and therefore could not be treated as capital expenditure or funded through borrowing; instead they would be charged to the Council's revenue budget and funded using the Investment & Modernisation Fund revenue reserve. If the project proceeds beyond the initial stage then the revenue reserve will not be needed and all costs will be met from the IMF capital budget.
42. Any changes to key variables used for the basis of the financial models for example changes in construction costs and asset life would impact on the indicative borrowing costs. The financial models would need to be amended to ensure the scheme was still financially viable.
43. In accordance with financial procedure rule B.17 budget virement between directorates above £500k must be approved by cabinet this report satisfies that requirement. The report recommends a virement of £6.0m which is the total of borrowing needed from the IMF.
44. Financial procedure rule B.11 requires that where a project involves a capital commitment of £1,000,000 or more, a further ODR must be completed for the approval of the relevant Director and CFO in consultation with the Portfolio Holder (Finance & Corporate Services) before a formal commitment is entered into or a contract signed.
45. All associated commissioning and subsequent procuring of developers, designers and consultants needed to fulfil the project must be carried out in line with the Councils CPRs, public contract regulations and where necessary EU procurement law.
46. There are a number of existing framework agreements which can be accessed to facilitate the projects many services including works however to support the Councils ongoing commitment to supporting local businesses it is important to give, where practicably possible opportunities of work to local firms and/or include relevant KPI's for principal contractors to engage with businesses from Doncaster.
47. It is also important to consider other measurable performance indicators relating to apprenticeships, social value and social return on investment throughout the projects delivery. Help, guidance and assistance from the procurement team from an early outset is recommended. Early discussions with potential occupiers (tenants) on the proposed scheme lend weight to the positive outcomes for apprenticeships given that they all have provision within their company operations to encourage apprenticeship positions.

HUMAN RESOURCES IMPLICATIONS

48. There are no HR implications.

TECHNOLOGY IMPLICATIONS

49. Due to the change in developer, ICT and CCTV will need to feed in the requirements given to the previous developer. These requirements are key to ensuring public safety in the public realm surrounding the proposed development and to ensure that there is no disruption to the council's private fibre optic network, which is currently situated on the land identified for development.

EQUALITY IMPLICATIONS

50. None

PROCUREMENT

51. The procurement of such commercial & leisure buildings detailed within the body of the report must be commissioned and procured in line with the Councils Contract Procedure Rules, Public Contract Regulations 2015 and EU Procurement legislation.
52. Equally the forming of any joint venture must be carried out in line with the above rules and procedures and is expect to have carried out a competitive procedure.
53. It is imperative that the Councils Strategic Procurement Team and Legal Teams are involved from the outset of the project.

ASSET IMPLICATIONS

54. Both Herten and the Savoy Cinema Development present significant commercial opportunities for both property and facility management. It is standard for occupiers of such developments to pay a service charge towards the up keep and running for the developments. This process is normally managed and run by a property management company. The Council is uniquely placed to not only manage the schemes but to provide services into the management; such as landscaping, cleaning of common areas repairs and maintenance.

CONSULTATION

55. Portfolio Holder Cllr Joe Blackham.

BACKGROUND PAPERS

None

REPORT AUTHOR & CONTRIBUTORS

Simon D Maxton, Assets Surveyor
01302 762408
Simon.maxton@doncaster.gov.uk

Peter Dale
Director of Regeneration and the Environment

Appendix 1 SCRIF Business Case - (Exempt information under paragraph 3 of Part 1 of Schedule 12 (a) of the Local Government Act 1972 (as amended), information relating to the financial or business affairs of any particular person (including the authority holding that information).

Appendix 2 Financial Summary - (Exempt information under paragraph 3 of Part 1 of Schedule 12 (a) of the Local Government Act 1972 (as amended), information relating to the financial or business affairs of any particular person (including the authority holding that information).

Appendix 3 Scheme Plans.

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

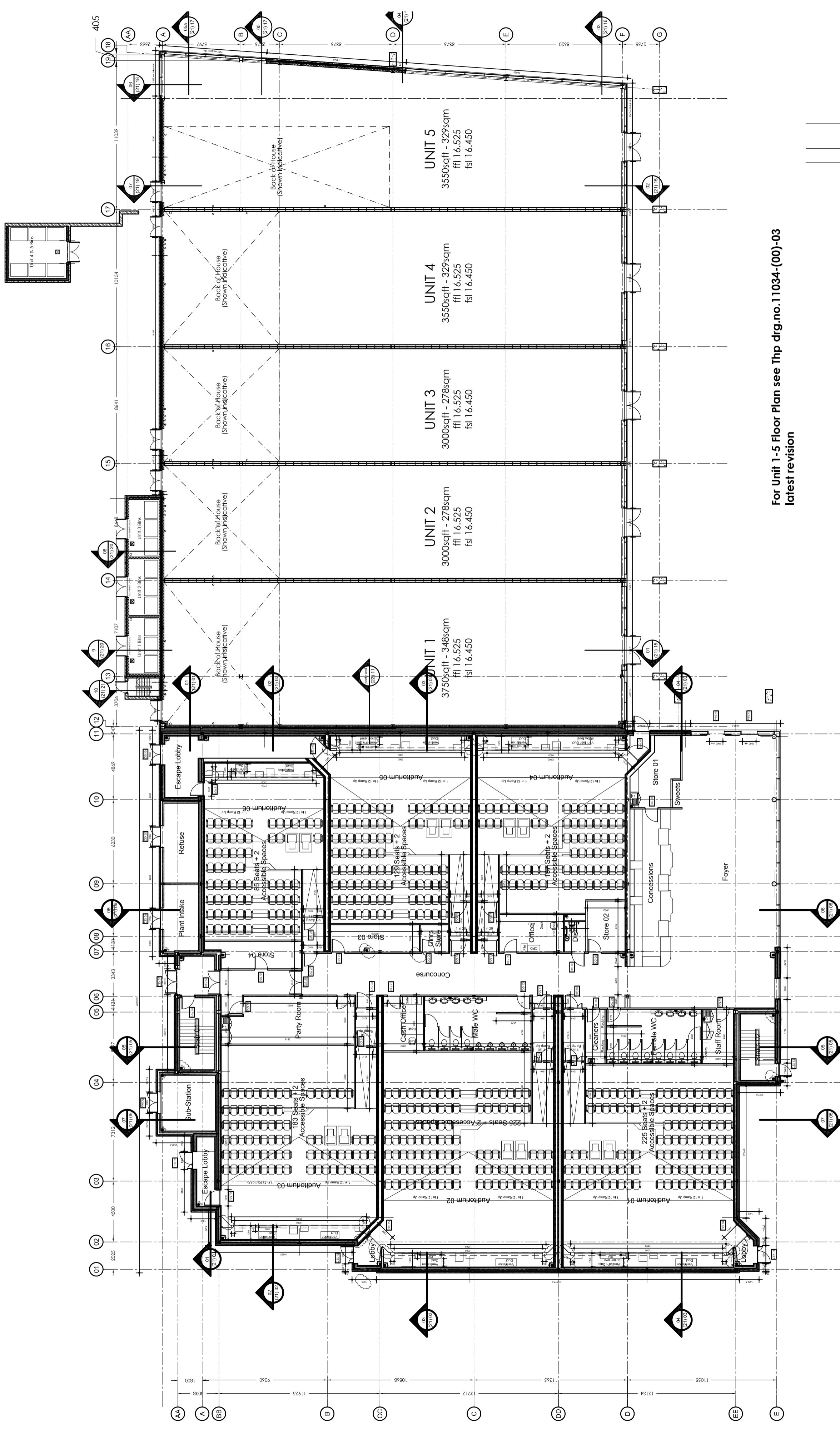
Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank



For Unit 1-5 Floor Plan see Thp drg.no.11034-(00)-03
latest revision

For Elevations see Thp drg.no.11034-(00)-09
latest revision

For Unit 6 Floor Plan see Thp drg.no.11034-(00)-02
latest revision

THIS DRAWING HAS BEEN PREPARED TO ASSIST THE CONTRACTOR IN DELIVERING A DESIGN AND BUILD PROJECT AND IS NOT INTENDED TO BE A FINAL DRAWING FROM WHICH ACCURATE QUANTITIES CAN BE TAKEN. ALL DETAILS SHOWN ARE SUBJECT TO DESIGN DEVELOPMENT.

FOR STRUCTURAL DETAILS REFER TO STRUCTURAL ENGINEERS DETAILED DESIGN DRAWINGS & SPECIFICATIONS

FOR M+E DETAILS REFER TO M&E CONSULTANTS DESIGN DRAWINGS & SPECIFICATIONS

CAD file reference CAD FILE REFERENCE

Project Title	Cinema and Restaurant Development
Client	Doncaster CCG Waterdale Doncaster
Client	Muse Developments Ltd
Status	
Scale	1:200
Drawn By	GCS
Checked By	PB
Date	Jan 2016

Drawing Title	Units 1-6 Ground Floor General Arrangement
Job-Dwg No	11034-(00)-01
Rev	P2

Rev	Date	Description	Rev By	Chkd By
P2		overalling rev.	GS	HP
P1	19.01.16	Tender Issue.	GS	HP

THE HARRIS PARTNERSHIP WAKEFIELD
2 St. Johns North, Wakefield, WF1 3QA
t. 01724 291 800 f. 01724 290 072

THE HARRIS PARTNERSHIP MANCHESTER
2nd Floor, Carvers Warehouse, 21UC
Newport Road, Manchester, M1 6AB
t. 0161 238 8555 f. 0161 244 5809

THE HARRIS PARTNERSHIP MILTON KEYNES
1000 Parkway, Milton Keynes, MK16 9AB
t. 01908 211 577 f. 01908 211 722

THE HARRIS PARTNERSHIP READING
101 London Road, Reading, RG1 5BY
t. 0118 950 7700 f. 0118 956 8642

www.harrispartnership.com

This page is intentionally left blank

To the Chair and Members of the CABINET

Proposed Sale of 4.3 acres of Land at Carr House Road

Relevant Cabinet Member(s)	Wards Affected	Key Decision
Councillor Joe Blackham	Town Ward	Yes

EXECUTIVE SUMMARY

1. The purpose of this report is to proceed with the sale of the land at Carr House Road with the preferred bidder – Option Two.
2. This report requires a decision at Cabinet as the proposed capital receipt is in excess of £1m.

EXEMPT REPORT

3. This report is not exempt however; there are a number of financial and commercial matters contained within Appendix 1 to the report which is commercially sensitive information. Therefore, Appendix 1 is NOT FOR PUBLICATION because it contains exempt information under Paragraph 3 of Part 1 of Schedule 12 (a) of the Local Government Act 1972 (as amended), information relating to the financial or business affairs of any particular person (including the authority holding that information).

RECOMMENDATIONS

4. That Cabinet support the decision to proceed with the sale on the terms reported.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

5. The sale of this asset will generate new housing development for the borough. New developments will generate growth in the local economy and create and support local job through development and associated local infrastructure. Council revenues will be supported from new development by the creation of additional Council Tax.
6. The Council will further benefit financially from capital receipts released from the sale of property assets which will directly support the delivery of

the Councils Capital Programme for the next four years.

BACKGROUND

7. The subject site comprises of circa 4.3 acres and was formally utilised for bloodstock sales. Following cessation of the former use, the site is now surplus to the Councils operational requirements and currently forms part of the Councils Disposal Programme approved by Cabinet on 20 February 2008. A previous marketing exercise failed to achieve an acceptable offer. Given the number of new housing sites being developed in the locale, further marketing of the site was held in abeyance to ensure best consideration through market demand.
8. The land was advertised by the way of an informal tender for 8 weeks. The site was marketed both locally and nationally. A total number of 47 sales particulars were sent to prospective buyers. Following completion of this a total of 6 offers were received. Offers received are detailed in the appendix to this report.
9. The most favourable bid was submitted by a local house builder noted in the appendix to this report – Offer B. Their proposed scheme is for residential houses to be built throughout the site with an element of public open space on site as well as affordable housing provisions as per the planning policy.
10. The bidder has already undertaken significant work on scheme design and has consulted with the Highways department. And it is subject to gaining successful planning permission.
11. The specifics of the design include a mixture of both 2 and 3 bedroom homes.
12. An alternative offer was received which required analysis against the recommended offer.
13. A tableted summary and analysis of the two highest bids is included in the appendix to this report.

OPTIONS CONSIDERED

14. ***Option One: Do nothing (not recommended)***

If the Council does not proceed with the sale of the land then will remain the ownership of the Council and we will not achieve the financial disposal target for this year.

Option Two: Proceed with the sale with the preferred bidder (this is the recommended option)

If we accept the offer then we would achieve the target for the disposal programme as well as contribute towards achieving more new homes in Doncaster.

REASONS FOR RECOMMENDED OPTION

15. Following the evaluation of the offers it is considered that the offer made by Offeree B is the best and most achievable offer in planning terms and thus represents the market value of the asset.

IMPACT ON THE COUNCIL'S KEY OUTCOMES

16.

	Outcomes	Implications
	<p>All people in Doncaster benefit from a thriving and resilient economy.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Creating Jobs and Housing</i> • <i>Mayoral Priority: Be a strong voice for our veterans</i> • <i>Mayoral Priority: Protecting Doncaster's vital services</i> 	<p>Releasing assets to support the development of new property in Doncaster will show a firm commitment to the economic growth and regeneration of the Borough.</p> <p>The receipts from assets sales will directly support the Councils Capital Programme</p>
	<p>People live safe, healthy, active and independent lives.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Safeguarding our Communities</i> • <i>Mayoral Priority: Bringing down the cost of living</i> 	<p>Through the generation of long term sustainable revenues from new Council Tax new development will help reduce pressure on budgets and support future service delivery.</p>
	<p>People in Doncaster benefit from a high quality built and natural environment.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Creating Jobs and Housing</i> • <i>Mayoral Priority: Safeguarding our Communities</i> • <i>Mayoral Priority: Bringing down the cost of living</i> 	<p>Releasing assets to support the development of new property in Doncaster will show a firm commitment to the economic growth and regeneration of the Borough, supporting and improving the built environment in local communities</p>
	<p>All families thrive.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Protecting Doncaster's vital services</i> 	<p>Through the generation of long term sustainable revenues from new Council Tax new development will help reduce pressure on budgets and support future service delivery.</p>
	<p>Council services are modern and value for money.</p>	<p>The managed disposal of property assets shows a proactive stance for</p>

		the Council to generate both receipts and future revenues and create new opportunities for development in the current and future environment.
	Working with our partners we will provide strong leadership and governance.	In common with our partners we continue to provide better value and quality solutions in the use of Council owned property assets.

RISKS AND ASSUMPTIONS

17. The principal risk associated with not proceeding with the sale if that if we remarketed the site there is a high risk that we would achieve such competitive offers.
18. The offer made represents the current market value of the site and lies within both our expectations and is above the average price per acre in the Borough.

LEGAL IMPLICATIONS

19. The Council has statutory power to dispose of non-housing/non-HRA land without the Secretary of State's consent for the best consideration reasonably obtained.
20. In assessing whether the best consideration reasonably obtainable is achieved the Council is not required to accept the highest offer made. It may take into account other considerations, in this case as the offers were subject to planning approval and the higher offer is outside policy it is reasonable to come to conclusions that the lower offer is the best reasonably obtainable.
21. If the land is currently classed as HRA the consent of the Secretary of State would be required.
22. Under the Council's Financial Procedure Rules Cabinet approval is required where the price being received is greater than £1 Million.

FINANCIAL IMPLICATIONS

23. Former DBS site is currently part of the Councils disposal programme. The sale will produce a capital receipt of £2.0m and this will be used to fund capital projects.

HUMAN RESOURCES IMPLICATIONS

24. There are HR implications for this report.

TECHNOLOGY IMPLICATIONS

25. There are no technology implications for this report

EQUALITY IMPLICATIONS

26. There are not considered to be any equality implications associated with this decision.

CONSULTATION

27. The subject land has previously had approval for sale on 20 February 2008 as part of the wider Strategic Disposal. This proposed disposal has been subject to additional consultation with Cabinet Member (Cllr J Blackham) who is supportive of the recommended option in the body of this report.
28. Local ward members (Cllr N McDonald, Cllr J McHale & Cllr D Shaw) are informed of this disposal.

BACKGROUND PAPERS

1. 20 February 2008: Cabinet Report (Key Decision Ref: K760): A Strategic Disposal Programme for General Fund Council Property and Land Assets 2007-2012 and Associated Issues.

REPORT AUTHOR & CONTRIBUTORS

Anjum Shabir, Property Advisor
01302 736634. Email: anjum.shabir@doncaster.gov.uk

David Stimpson, Property Manager
01302 737363 Email: David.stimpson@doncaster.gov.uk

Peter Dale
Director of Regeneration & Environment

Appendix 1 PROPOSED SALE OF 4.3 ACRES OF LAND AT CARR HOUSE ROAD DONCASTER (Exempt information under paragraph 3 of Part 1 of Schedule 12 (a) of the Local Government Act 1972 (as amended), information relating to the financial or business affairs of any particular person (including the authority holding that information)).

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

To the Chair and Members of the Cabinet

Proposed Disposal of Barnburgh Grange Farm

Relevant Cabinet Member(s)	Wards Affected	Key Decision
Councillor Joe Blackham	Sprotbrough	Yes

EXECUTIVE SUMMARY

1. The purpose of this report is to seek approval to the disposal of the freehold interest of Barnburgh Grange Farm.
2. This report requires a decision at Cabinet as the proposed capital receipt is in excess of £1m

EXEMPT REPORT

3. This report is not exempt however; there are a number of financial and commercial matters contained within Appendix 1 to the report which is commercially sensitive information. Therefore, Appendix 1 is NOT FOR PUBLICATION because it contains exempt information under Paragraph 3 of Part 1 of Schedule 12 (a) of the Local Government Act 1972 (as amended), information relating to the financial or business affairs of any particular person (including the authority holding that information).

RECOMMENDATIONS

4. That Cabinet agree to the proposed disposal of Barnburgh Grange Farm on the terms reported.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

5. The Council will generate a receipt from the disposal of this asset. Receipts generated from asset sales support the delivery of the Councils Capital Programme over the next four years.

BACKGROUND

6. Barnburgh Grange Farm is an arable farm plus buildings with a site area of approximately 250 acres. The site comprises general arable farmland

including 31.62 Acres of designated washlands and 11.96 Acres of Woodland. The site also includes a farmhouse, Managers house and a pair of derelict cottages.

7. Doncaster Council holds the freehold title and the asset is let by way of an agricultural tenancy agreement dated 11th May 1967. The passing rent is £7,845 per annum. As with agricultural tenancies, there are succession rights, and there are two further rights to succeed. This essentially means that unless the tenants wish to surrender their lease (which is highly unlikely) it will be very difficult for the Council to regain vacant possession of the farm in the foreseeable future.
8. Following a request from the tenant to acquire the freehold interest in the property, advice was sought from a local agricultural expert which has enabled the Council to make an informed decision as to the best option for the future of this asset, after they took a holistic approach to reviewing the immediate and future options available.
9. It should be noted that the farm is located on the possible proposed route of the HS2 scheme. Some of the site therefore may be compulsorily acquired for this purpose, and the Council may, at some point in the future, be entitled to compensation for this loss. Advice from the Council's agent is that a disposal to the tenant represents the best achievable consideration for the asset as a 'special purchaser'. Further the agent has advised that there is no additional value to the Council in retaining the asset and dealing directly via a compensation negotiation with HS2 in the future.
10. The farmer is aware of the potential impacts of HS2 and has confirmed that the has obtained specialist legal advice on the right to claim compensation as a consequence of the HS2 scheme and still wishes to proceed with a purchase of the freehold interest in the property.
11. As landlord, the Council currently has repairing liabilities outstanding under the terms of the lease, although not considered significant at this time. The low passing rent may be the reason for these repairs not having been reported by the tenant.

OPTIONS CONSIDERED

12. **Option 1** – Retain the freehold and review the rent – not recommended

The earliest opportunity to increase the rental is August 2018. As previously noted, due to the existence of succession rights in favour of the tenant, the Council are very unlikely to regain possession in the near future to enable a disposal of the asset on the open market.

Option 2 – Dispose of the site on the open market subject to tenancy – not recommended

The market for such properties subject to tenancy is restricted, although investments such as this are considered to be quite safe as the longer term prospect of gaining vacant possession will see a substantial increase in capital value.

Option 3 – dispose of the interest to the tenant – recommended option

The tenants have previously expressed an interest in acquiring the freehold interest to the site. From the advice received, it is considered that the value of a sale to the tenant as a ‘special purchaser’ should be in excess of its investment value, thus representing best consideration and maximum input to the Councils Capital Programme and this is therefore the recommended option

Option 4 – Do nothing – not recommended

The Council would forgo the opportunity to increase the annual rent or generate a capital receipt, whilst still retaining the landlord’s maintenance liabilities.

REASONS FOR RECOMMENDED OPTION

13. The recommended option would generate the highest possible receipt, and remove for the Council the burden of any future repairs and maintenance liability. Having reviewed the expert advice received, following the recommended option would meet the Councils obligation to achieve best consideration.

IMPACT ON THE COUNCIL’S KEY OUTCOMES

14.

	Outcomes	Implications
	All people in Doncaster benefit from a thriving and resilient economy. <ul style="list-style-type: none">• <i>Mayoral Priority: Creating Jobs and Housing</i>• <i>Mayoral Priority: Be a strong voice for our veterans</i>• <i>Mayoral Priority: Protecting Doncaster’s vital services</i>	Releasing assets shows a firm commitment to the economic growth and regeneration of the Borough. The receipts from assets sales will directly support the Councils Capital Programme
	People live safe, healthy, active and independent lives. <ul style="list-style-type: none">• <i>Mayoral Priority: Safeguarding our Communities</i>• <i>Mayoral Priority: Bringing down the cost of living</i>	None
	People in Doncaster benefit from a high quality built and natural environment.	None

	<ul style="list-style-type: none"> • <i>Mayoral Priority: Creating Jobs and Housing</i> • <i>Mayoral Priority: Safeguarding our Communities</i> • <i>Mayoral Priority: Bringing down the cost of living</i> 	
	<p>All families thrive.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Protecting Doncaster's vital services</i> 	None
	Council services are modern and value for money.	The managed disposal of property assets shows a proactive stance for the Council to generate both receipts and future revenues and create new opportunities for development in the current and future environment.
	Working with our partners we will provide strong leadership and governance.	In common with our partners we continue to provide better value and quality solutions in the use of Council owned property assets.

RISKS AND ASSUMPTIONS

15. The risk of not pursuing the recommended option is the potential loss of an opportunity to generate the capital receipt. By not following the recommended course of action, the Council could be held to criticism for not extracting the best value out of its assets.

LEGAL IMPLICATIONS

16. The Council has statutory power to dispose of non-housing/non-HRA land without the Secretary of State's consent for the best consideration reasonably obtainable.

FINANCIAL IMPLICATIONS

17. Barnburgh Grange Farm is currently part of the Council's disposal programme. When disposed of the Council will lose annual budgeted rental income of around £8k. Budget will need to be identified to deal with this shortfall, either from existing Assets & Property budgets or through the 2018/19 budget setting process.

HUMAN RESOURCES IMPLICATIONS

18. There are no HR implications.

TECHNOLOGY IMPLICATIONS

19. There are no technology implications in relation to this report.

EQUALITY IMPLICATIONS

20. There are no equality implications.

CONSULTATION

21. This proposed disposal has been subject to approval at Assets Board and Assets Steering Group. Additional consultation has also taken place with Cabinet member (Cllr J Blackham) who is supportive of the recommended option in the body of this report.
22. Local ward members (Cllr C Ransome & Cllr J Wood) are informed of this disposal

BACKGROUND PAPERS

None

REPORT AUTHOR & CONTRIBUTORS

Joanne Chipp-Smith, Property Management Surveyor
01302 734476 joanne.chipp-smith@doncaster.gov.uk

David Stimpson, Property Manager
01302 737363 david.stimpson@doncaster.gov.uk

Peter Dale
Director of Regeneration and the Environment

Appendix 1 Barnburgh Grange Farm (Exempt information under paragraph 3 of Part 1 of Schedule 12 (a) of the Local Government Act 1972 (as amended), information relating to the financial or business affairs of any particular person (including the authority holding that information).

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank