



Doncaster Council

OFFICER DECISION RECORD

For staff restructures, please also complete an RA1 form to update the HR Portal. (See Annex 2 on Intranet.)

Decision Ref. No:

RE18 0035
SAM006

Box 1

DIRECTORATE: Regeneration & Environment

DATE: 22nd February, 2018

Contact Name: Gillian Fairbrother

Tel. No.: 01302 862561

Subject Matter: Sub-Letting of the former Intake and Belle Vue Children's Centre, Ardeen Road, Intake, Doncaster, DN2 5EU

Box 2

DECISION TAKEN:

To grant a sub-lease of the former Intake and Belle Vue Children's Centre, Ardeen Road, Intake, Doncaster, DN2 5EU to Racing Start pre-school Ltd.

The sub-lease of the property is to be on a full repairing and insuring basis for 5 years at a rent of £17,500 per annum.

Box 3

REASON FOR THE DECISION:

In line with the Cabinet decision of 17th November 2015, the former Intake and Belle Vue Children's Centre building was advertised as available to let for the purposes of the provision of early years services over the course of an eight week period between October and December 2017.

The closing date for tenders was 12 noon on Monday 4th December 2017, at which point in time three offers were received.

The tenders were assessed by a representative from the Strategic Asset Management team with advice also being sought from the Learning and Opportunities Service. The preferred tender presented the strongest case both from the perspective of both services.

As Doncaster Council hold a 99 year lease of the building from 25th March, 2006 from

the Yorkshire Congregational Union (Incorporated), approval to a sub-letting of the premises is required. Landlord's consent has been sought, and the approval granted on 10th January, 2018.

It should be noted that whilst the proposed lease will be on full repairing and insuring terms, a retained budget will need to be held in order that the Council might fulfil its obligation to the Head Landlord to "Decorate in 2015, then every 5x years thereafter (internal and external)". This obligation is relevant to the Childrens Centre premises, responsibility for which will be passed to the tenant, but also to the adjoining church premises, responsibility for which will be retained by the Council.

The Department for Education (Grants Team) have confirmed that the transfer of the provision of services to Racing Start pre-school is acceptable and will not give rise to any claw back of grant funding, provided that the asset funded by it (wholly or partly) continues to deliver predominately early years services for the life of the asset. It will be provided for in the sub-lease that the property will be used for the purpose of for the provision of childcare and ancillary services for 0-5 year olds, hence meeting the grant funding criteria. The sub-lease will be capable of termination should this condition not be met, hence removing any risk that claw back will be invoked.

The following overarching Heads of Terms will provide the basis for the lease:-

Term	5 years
Break	None
Rental	£17,500pa
Rent Free Period	Not applicable
Use	The property will be used for the provision of childcare for up to one hundred and ten 0-5 year olds. In addition ancillary services will be provided including:- <ul style="list-style-type: none"> - After school clubs - Holiday clubs - Weekend creche - Birthday parties - Anti-natal classes (both in partnership with the NHS and privately funded) - Work with the adjacent Intake United Reform Church
Early years services	To enable use of the centre by the Council's Starting Well Service for up to 10 hours per week by agreement.
Landlord & Tenant Act	The lease will be on commercial terms
Repair and maintenance responsibilities	The group will be responsible for the full cost of insuring, repairing, ongoing maintenance and complying with all statutory requirements in relation to the asset leased for the duration of the agreement.

Box 4

OPTIONS CONSIDERED & REASONS FOR RECOMMENDED OPTION:

Option 1 – Proceed to grant a lease of the property to Racing Start Pre-School Ltd (Recommended)

This is the recommended option. In line with the tender submitted by Racing Start pre-school Ltd, the building will retain its position in the community as a focal point for early years activities.

Option 2 – Dispose of the building

This is not possible as the Council is not the freehold owner of the asset. The Council holds a 99 year lease of the building from 25th March, 2006 from the Yorkshire Congregational Union (Incorporated). The Centre is not our building to sell.

Option 3 – Do nothing

The building would remain empty and the Council would remain responsible for vacant building holding costs including the payment of utilities and Business Rates. The building is approximately 10 years old and is in very good condition therefore the use of this asset ought to be maximised

Box 5

LEGAL IMPLICATIONS:

Under S.123 of the Local government Act 1972 the Council has statutory power to dispose (including the grant of a sub-lease) of non housing/non-HRA land.

The lease is for a period of less than 7 years and therefore there is no statutory duty on the Council to obtain the best consideration reasonably available.

Under the Council's Financial Procedure Rules the Council's Property Officer has authority to dispose of land at market value without Cabinet approval where the price being received is less than £1 Million.

However, the Department of Education have stipulated that provided the services do not change and remain predominantly early years (0-5 year olds) services then there will be no potential risk of clawback. The said permitted use of the premises will therefore be inserted in the lease to satisfy this condition, and any breach thereof will result in forfeiture.

The Head Landlord's consent has already been obtained.

Name: Rachel Pritchard

Signature: By email

Date: 28/2/18

Signature of Assistant Director of Legal and Democratic Services (or representative)

Box 6**FINANCIAL IMPLICATIONS:****Capital**

A DfE Sure Start, Early Years and Childcare Grant of £1,109,037 was used to build Intake and Belle Vue Children's in 2006/7 and could be subject to clawback.

Guidance in relation to capital clawback is outlined in the Sure Start, Early Years and Childcare Grant (SSEYCG) and Aiming High for Disabled Children Grant - Capital Guidance, and Sure Start Children's Centres Statutory Guidance. The clawback is triggered where an asset either wholly or partially funded by DfE is disposed of (i.e. sold, transferred or has a change of use) or no longer used to meet the aims and objectives consistent with the SSEYCG grant.

Where the current market value of the asset is more than £2,500, the Council must inform and consult with the DfE at least 3 months prior to disposal/transfer. Subject to prior approval with the DfE, there will be no clawback of the grant where an asset is sold and the proceeds are reinvested in another asset for a similar purpose consistent with the SSEYCG aims. If clawback is triggered, the asset is valued at the same level or less than the initial grant contributed, the clawback amount will be the full market value obtained from the disposal of the asset, proportionate to the level of the Department's contribution to the original costs of the asset concerned.

The Assets Manager has contacted the DfE with regard to the subject of clawback and has received a response to confirm that the transfer is acceptable and will not give rise to any claw back of grant funding.

As such there are no direct capital implications as a result of this decision however this could change should the usage of the building change.

Name: Stephen Boldry **Signature:** Via E Mail **Date:** 26th February 2018
Signature of Assistant Director of Finance & Performance
(or representative)

Revenue

The annual revenue budget of £46,050 has been included in the Asset Savings programme. The £17,500 per annum rental income has not been budgeted for therefore any ongoing expenditure could be met from this.

Name: Marion Berrett **Signature:** **Date:** 26th February 2018
Signature of Assistant Director of Finance & Performance
(or representative)

Box 7**HUMAN RESOURCE IMPLICATIONS:**

There are no HR implications.

Name: David Knapp

Signature:

Date: 26/02/2018

Signature of Assistant Director of Human Resources and Communications (or representative)

Box 8

PROCUREMENT IMPLICATIONS:

There are no direct procurement implications associated with the granting of the lease as described. However where the Council has an obligation to carry out repairs these must be commissioned and procured in line with the Councils Contract Procedure Rules

Name: S Duffield **Signature:** **Date:** 26/02/18

Signature of Assistant Director of Finance & Performance (or representative)

Box 9

ICT IMPLICATIONS:

ICT Support are liaising with Assets and will arrange for the connectivity to this site to be terminated together with the removal of any remaining DMBC ICT equipment at the appropriate time.

It is understood that one member of DMBC staff will still need to work from this building once a week and will utilise a data SIM to connect to DMBC services via existing remote working arrangements.

Name: Peter Ward (Governance & Support Manager)

Signature: **Date:** 27/02/18

Signature of Assistant Director of Customer Services and ICT (or representative)

Box 10

ASSET IMPLICATIONS:

The asset implications relevant to this decision are contained within the main body of the Officer Decision Record

Name: Sarah Fish (Principal Property Surveyor)

Signature: By email **Date:** 22nd February, 2018

**Signature of Assistant Director of Trading & Property Services
(or representative)**

Box 11

RISK IMPLICATIONS:

To be completed by the report author

By not taking this decision, there is a risk the Council would not be actively supporting the aims and objectives of the Doncaster Growing Together Programme in terms of delivering savings against the public buildings portfolio.

Name: Gillian Fairbrother (Principal Property Surveyor)

Signature: By email

Date: 22nd February, 2018

(Report author)

Box 12

EQUALITY IMPLICATIONS:

To be completed by the report author

Any proposed use of Doncaster Council's land and property assets should ensure extensive reach into the community and be open to all. The business case submitted by Racing Start pre-school Ltd demonstrates an all-inclusive approach to child care.

Name: Gillian Fairbrother (Principal Property Surveyor)

Signature: By email

Date: 22nd February, 2018

(Report author)

Box 13

CONSULTATION

Officers

(In addition to Finance, Legal and Human Resource implications and Procurement implications where necessary, please list below any other teams consulted on this decision, together with their comments)

Members

Under the Scheme of delegation, officers are responsible for day to day operational matters as well as implementing decisions that have been taken by Council, Cabinet, Committee or individual Cabinet members. Further consultation with Members is not ordinarily required. However, where an ODR relates to a matter which has significant policy, service or operational

implications or is known to be politically sensitive, the officer shall first consult with the appropriate Cabinet Member before exercising the delegated powers. In appropriate cases, officers will also need to consult with the Chair of Council, Committee Chairs or the Chair of an Overview and Scrutiny Panel as required. Officers shall also ensure that local Members are kept informed of matters affecting their Wards.

Please list any comments from Members below:

None

Box 14
INFORMATION NOT FOR PUBLICATION:

It is in the public's interest to be aware of this decision record under the Freedom of Information Act 2000, therefore this decision will be published in full, redacting only signatures.

Name: Joan L'Amie Signature: [REDACTED] Date: 5th March 18
Signature of FOI Lead Officer for service area where ODR originates

Box 15

Signed: [REDACTED] Date: 12 March 2018
Dave Wilkinson, Assistant Director Trading and Property Services

Signed: _____ Date: _____
Additional Signature of Chief Financial Officer or nominated representative for Capital decisions.

Signed: _____ Date: _____
Signature of Mayor or relevant Cabinet Member consulted on the above decision (if required).

- This decision can be implemented immediately unless it relates to a Capital Scheme that requires the approval of Cabinet. All Cabinet decisions are subject to call in.
- A record of this decision should be kept by the relevant Director's PA for accountability and published on the Council's website.
- A copy of this decision should be sent to the originating Directorate's FOI Lead Officer to consider 'information not for publication' prior to being published on the Council's website.
- A PDF copy of the signed decision record should be e-mailed to the LA Democratic Services mailbox

