



Doncaster Council

Report

Date: 17.07.2018

To the Chair and Members of the CABINET

Proposed Sale of Part of Land at Plot 1, Lakeside

Relevant Cabinet Member(s)	Wards Affected	Key Decision
Cllr J Blackham	Town	Yes

EXECUTIVE SUMMARY

1. The purpose of this report is to seek approval to proceed with the sale of part of land at Plot 1 Lakeside to the preferred bidder – Option Two

EXEMPT REPORT

2. 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 Therefore, Appendix 1 is NOT FOR PUBLICATION because it contains exempt information under Paragraph 3 of Part 1 of Schedule 12 (a) of the Local Government Act 1972 (as amended), information relating to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

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

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

- 4.1 The sale of this asset will generate new commercial development for the borough. New developments will generate growth in the local economy and create and support local jobs through development and associated local

infrastructure. Council revenues will be supported from new commercial development by the creation of additional business rates.

- 4.2 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.

BACKGROUND

- 5.1 The subject property currently comprises of circa 19.2 acres, the majority of which is vacant and surplus to the Council's operational requirements. Circa 3 acres of the site is currently used by Doncaster Rovers Football Club for away fan parking.
- 5.2 The subject land forms part of the Council's previously approved Capital Receipts Asset Disposal Programme. A total of 6.5 acres of land in this location has already been sold to XP School Ltd for the construction of a free school.
- 5.3 The available land was advertised by way of an informal tender for a period of 13 weeks seeking offers for the whole or parts of the site. The land was marketed both locally and nationally using Rightmove and EGI PropertyLink and received over 1,200 views on Rightmove. In addition 35 copies of the sales particulars sent out to prospective buyers and a total of 5 offers were received. The offers received are detailed in Appendix 1 to this report.
- 5.4 The most favourable bid was submitted by national operator noted in the appendix to this report – Offer A. Their proposal is for the construction of a warehouse / office facility for their own occupation
- 5.5 The bid is subject to gaining satisfactory planning permission and deductions to be agreed in relation to any abnormal development costs.
- 5.6 A summary of the offers received is included in Appendix 1 to this report.
- 5.7 The Urban Centre is a vital part of Doncaster's future; it is an important area of the Borough requiring significant attention and is a high priority theme of Doncaster Growing Together initiative. The key strategy document for the town centre that provides a framework of the future opportunities and improvements is the Urban Centre Master Plan (UCMP). The plan outlines a range of options and objectives to make the town centre successful, recognising that it needs to be adaptable to the changing environment, both physical and socio-economic and this proposed development will contribute towards the success of the Urban Centre.

OPTIONS CONSIDERED

- 6.1 *Option One: Do nothing (not recommended)*
The land would remain vacant and the Council would forgo the opportunity to generate a significant capital receipt.
- 6.2 *Option Two: Proceed with the sale to the preferred bidder (this is the recommended option)*
As well as receiving a significant capital receipt that will contribute towards

the Council's Capital Programme it will enable a national business to create a new warehouse and regional headquarters facility allowing them to expand their operation in Doncaster.

REASONS FOR RECOMMENDED OPTION

7. Following the evaluation of the offers it is considered that the offer made by Offeree A would generate the highest capital receipt and is the most deliverable in terms of planning policy as well as creating capacity for employment growth and retaining the business in the borough.

IMPACT ON THE COUNCIL'S KEY OUTCOMES

8.

	Outcomes	Implications
	<p>Doncaster Working: Our vision is for more people to be able to pursue their ambitions through work that gives them and Doncaster a brighter and prosperous future;</p> <ul style="list-style-type: none"> • Better access to good fulfilling work • Doncaster businesses are supported to flourish • Inward Investment 	<p>Releasing assets to support the development of new commercial property in Doncaster will show a firm commitment to the economic growth and regeneration of the Borough.</p> <p>The sale of this land will enable an existing business to remain and expand its facilities within the Borough supporting job creation and business opportunity.</p>
	<p>Doncaster Living: Our vision is for Doncaster's people to live in a borough that is vibrant and full of opportunity, where people enjoy spending time;</p> <ul style="list-style-type: none"> • The town centres are the beating heart of Doncaster • More people can live in a good quality, affordable home • Healthy and Vibrant Communities through Physical Activity and Sport • Everyone takes responsibility for keeping Doncaster Clean • Building on our cultural, artistic and sporting heritage 	<p>Releasing assets to support the development of new commercial property in Doncaster will show a firm commitment to the economic growth and regeneration of the Borough.</p> <p>Through the generation of long term sustainable revenues from Business Rates new commercial development will help reduce pressure on budgets and support future service delivery.</p>
	<p>Doncaster Learning: Our vision is for learning that prepares all children, young people and adults for a life that is fulfilling;</p> <ul style="list-style-type: none"> • Every child has life-changing learning experiences within and beyond school • Many more great teachers work in 	<p>Through the generation of long term sustainable revenues from Business Rates new commercial development will help reduce pressure on budgets and support future service delivery.</p> <p>New development and the expansion of an existing business creates the potential for additional</p>

	<p>Doncaster Schools that are good or better</p> <ul style="list-style-type: none"> • Learning in Doncaster prepares young people for the world of work 	<p>opportunities for apprenticeships for young people within the Borough.</p>
	<p>Doncaster Caring: Our vision is for a borough that cares together for its most vulnerable residents;</p> <ul style="list-style-type: none"> • Children have the best start in life • Vulnerable families and individuals have support from someone they trust • Older people can live well and independently in their own homes 	<p>New commercial development on Lakeside will support the whole community and create an opportunity for a vibrant and mixed local community close to the town centre.</p>
	<p>Connected Council:</p> <ul style="list-style-type: none"> • A modern, efficient and flexible workforce • Modern, accessible customer interactions • Operating within our resources and delivering value for money • A co-ordinated, whole person, whole life focus on the needs and aspirations of residents • Building community resilience and self-reliance by connecting community assets and strengths • Working with our partners and residents to provide effective leadership and governance 	<p>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.</p> <p>In common with our partners we continue to provide better value and quality solutions in the use of Council owned property assets.</p>

RISKS AND ASSUMPTIONS

- 9.1 A risk associated with not proceeding with the sale is that if we remarketed the site there is a risk that we would not achieve such competitive offers.
- 9.2 Similarly if we don't proceed with the sale local employment may be at risk as a failure to identify alternative suitable land within Doncaster could lead to this business seeking to relocate outside the Borough.
- 9.3 The offer made represents the current market value of the site and lies within both our expectations and is comparable with similar land sales nearby.

LEGAL IMPLICATIONS Officer Initials REP Date 11.06.18

10. Under s.123 of the Local Government Act 1972 the Council has statutory power to dispose of land without the Secretary of State's consent for the

best consideration reasonably obtainable. As this went through the bid process it is safe to assume that the best consideration has been obtained.

Under the Council's Financial Procedure Rules the approval of cabinet is required for the disposal of all properties for a receipt of £1m or more.

FINANCIAL IMPLICATIONS Officer Initials MB Date 11th June 2018

11. The capital receipts generated from the sale of part of plot 1, Lakeside will be used to fund the capital programme.

Due to the estimated disposal value being equal to or greater than £1,000,000, a decision of Cabinet is required.

HUMAN RESOURCES IMPLICATIONS Officer Initials DK Date 8th June 2018

12. There are no HR implications.

TECHNOLOGY IMPLICATIONS Officer Initials PW Date 8th June 2018

13. There are no anticipated technology implications in relation to this decision.

HEALTH IMPLICATIONS Officer Initials CT Date 11th June 2018

14. Public Health supports the development of the land particularly in where the use will provide employment which positively impacts on health. However, the land in question borders housing and allotments as well as a school therefore Public Health would ask that a Health Impact Assessment (HIA) be completed by the Developer as part of the planning permission process.

A HIA is a practical and systematic approach used to judge the potential health effects of a proposal, such as a development, on different groups of people. In this instance for example how it will impact on local residents, allotment holders and the school. The HIA considers impacts during the construction stage as well as the impact of the business itself long term. The findings of HIA are used to make recommendations to decision-makers and stakeholders, with the aim of increasing any positive health effects and decreasing any negative health effects. The primary aims of a Health Impact Assessment are to improve and protect health for our residents.

EQUALITY IMPLICATIONS Officer Initials: MK Date: 8th June 2018

15. There are no equality implications arising from the recommendation within this report

CONSULTATION

16. The subject land has previously had approval for sale on 20 February 2008 as part of the wider Strategic Disposal Programme.

BACKGROUND PAPERS

17. 20 February 2008: Cabinet Report: A Strategic Disposal Programme for General Fund Council Property and Land Assets 2007-2012 and Associated Issues.

REPORT AUTHOR & CONTRIBUTORS

Martin Kaye, Disposals Surveyor

☐☐01302 736485 ☐☐marting.kaye@doncaster.gov.uk

David Stimpson, Property Manager

☐☐01302 737363 ☐☐david.stimpson@doncaster.gov.uk

Peter Dale

Director, Regeneration & Environment