



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:

CR 295

Box 1

DIRECTORATE: Corporate Resources **DATE:** 20 June 2018
Contact Name: Christian Foster **Tel. No.:** 01302 734416
Subject Matter: Deed of Variation to an existing Facility Agreement between DMBC and Robin Hood Airport Developments Limited.

Box 2

DECISION TAKEN:

To enter into a Deed of Variation to an existing Facility Agreement between Robin Hood Airport Developments Ltd (RHADL) and Doncaster Council, wherein the parties confirm that the Property at Robin Hood Airport Business Park (RHABP) is not in the Sheffield City Region Enterprise Zone and agree that all references in the Facility Agreement dated 3rd May 2017 to the Property being located in the Enterprise Zone are deleted.

Box 3

REASON FOR THE DECISION:

Give relevant background information

Sheffield Council (SCC) holds responsibility for a number of funding streams within the Sheffield City Region (SCR). A financial appraisal of a scheme to build 44,000 sq ft of business space at RHABP by Robin Hood Airport Developments Limited (RHADL), identified a viability gap of £1,010,000. SCC approached Doncaster Council to apply to the SCR Growing Places Fund (GPF), and then transfer the equivalent in aid to RHADL through a separate Facility Agreement.

Seeking a catalyst for development at RHABP, DMBC entered into a Facility Agreement with SCC to secure the GPF and a separate facility agreement with RHADL to facilitate the development and provide aid to the project.

The facility agreement with RHADL contained references to the site location within an Enterprise Zone at RHABP. [REDACTED]

[REDACTED]. A risk assessment, completed by officers from the Legal and Strategy & Performance Teams was presented to the Director of Regeneration and Environment, Assistant Director of Legal and Demographic Services and the Assistant Director of Finance on 29th March 2017. It was unilaterally agreed to progress with the scheme and ask the Sheffield City Region to intensify efforts to secure an Enterprise Zone at RHABP.

The RHADL Facility Agreement was completed in May 2017, at a time when:

- Sheffield City Region had agreed to adopt 10 hectares of Robin Hood Airport Business Park in a portfolio of enterprise zones;
- Written agreement was secured from the Treasury that the RHABP would be adopted as an Enterprise Zone;
- SCR had submitted a form application to the Treasury to place RHABP and a number of other sites in the SCR into law.
- The site was actively marketed by SCR, the Government and Doncaster Council as an Enterprise Zone.

RHADL completed the construction of 10 units totalling 44,000sqft in March 2018.

On 22nd February 2018 the SCR received written confirmation that the Government had rejected the SCR Enterprise Zone application. This decision has presented Doncaster with a number of new opportunities including:

- Future business rate receipts do not have to be relinquished to the Sheffield City Region and will be retained by the Council in line with current business rate law.
- Companies located in the proposed enterprise zone were excluded from receiving aid from the DMBC Business Investment Incentive Scheme. Business Doncaster is now able to better tailor assistance to the needs of companies locating at the Business Park.
- [REDACTED]

A Deed of Variation between Doncaster Council and Robin Hood Airport Developments Limited is required to reflect the position that Robin Hood Airport Business Park is not an Enterprise Zone.

Box 4

OPTIONS CONSIDERED & REASONS FOR RECOMMENDED OPTION:

If other options were considered, please specify and give reasons for recommended option

OPTION 1 – Recommended

Enter into a Deed of Variation between Doncaster Council and Robin Hood Airport Developments Limited to reflect the position that Robin Hood Airport Business Park is not in an Enterprise Zone.

OPTION 2 – Do nothing

Do not pursue the Deed of Variation with RHADL. [REDACTED]

Box 5

LEGAL IMPLICATIONS:

[REDACTED]

Name: Debra Buckingham Signature: Debra Buckingham Date: 06.07.18
Signature of Assistant Director of Legal and Democratic Services (or representative) – by email.

Box 6

FINANCIAL IMPLICATIONS:

The main implications of the facility agreements in relation to RHABP were considered as part of a Cabinet report approved 8th September 2015. Conclusion of the detailed arrangements was delegated to the Directors of Regeneration & Environment and Finance & Corporate Services and this was subsequently approved by ODR November 2016.

The project was developed at a time when the site was expected to be in an Enterprise Zone and RHADL may have been attracted to the project on that basis. [REDACTED]

[REDACTED]

[REDACTED]

With the RHABP not now being in an Enterprise Zone, companies looking to relocate to the site would be eligible to apply for the Council's Business Investment Incentive Scheme. Any applications to that fund will be subject to approval through separate decisions under the criteria of that scheme.

Name: [REDACTED] Signature: [REDACTED] Date: 12th July 2018
Signature of Assistant Director of Finance & Performance
(or representative)

Box 7

HUMAN RESOURCE IMPLICATIONS:

There are no direct HR implications to this decision

Name : [REDACTED] Signature: [REDACTED] Date: 29.06.2018
Signature of Assistant Director of Human Resources and Communications (or representative)

Box 8

PROCUREMENT IMPLICATIONS:

There are no procurement implications associated with this.

Name: [REDACTED] **Signature:** [REDACTED] **Date:** 2nd July 2018
**Signature of Assistant Director of Finance & Performance
(or representative)**

Box 9

ICT IMPLICATIONS:

There are no ICT implications associated with this decision.

Name: Peter Ward (Technology Governance & Support Manager)

Signature: [REDACTED] **Date:** 03/07/18

Signature of Assistant Director of Customers, Digital & ICT (or representative)

Box 10

ASSET IMPLICATIONS:

There are no implications arising from the recommendations of this report that impact on the use of DMBC assets.

Name: David Stimpson, Property Manager

Signature: [REDACTED] **Date:** 28 June 2018

Property Manager – on behalf of Assistant Director of Trading & Property Services

Box 11

RISK IMPLICATIONS:

To be completed by the report author

The Facility Agreement with Sheffield CC for £1,010,000 Growing Places fund contained a number of references to the location of the site in the Enterprise Zone, Doncaster. Sheffield City Council has confirmed in writing that the Growing Places Fund award is not predicated on the site being located in an Enterprise Zone and there is no risk that the GPF will be clawed back if the enterprise zone is not adopted.

The agreement with RHADL contained references to the site location within an Enterprise Zone, Doncaster. The Council may be liable to cover rental voids if the developer can prove these are a result of new tenants expecting enterprise capital allowance or rejecting the site based on the loss of the enterprise zone designation.

A Deed of Variation will ensure that the Council is not required to compensate RHADL for any financial implications as a result of the site not being located in an Enterprise Zone.

(Explain the impact of not taking this decision and in the case of capital schemes, any risks associated with the delivery of the project)

Box 12

EQUALITY IMPLICATIONS:

To be completed by the report author

The Equality Act 2010 requires the Council to show 'due regard' to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act, to advance equality of opportunity and foster good relationships between those who share a 'protected characteristic' and those who do not share that protected characteristic.

In undertaking the actions recommended in this Officer Decision Record, Doncaster Council will ensure we adhere to the Equality Act 2010.

Name: _____ Signature: _____
(Report author)

Date: 28th June 2018

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:

Box 14

INFORMATION NOT FOR PUBLICATION:

The ODR will be published with redactions to signatures and text which are politically and/or commercially sensitive.

Name: Michael McBurney **Signature:**  **Date:** 18/07/2018

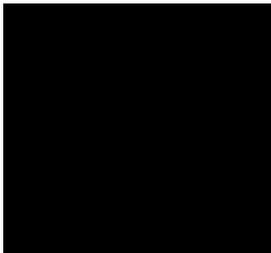
Signature of FOI Lead Officer for service area where ODR originates

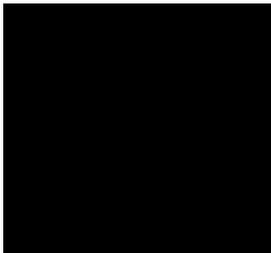
Box 15



Signed: 
Director/Assistant Director

Date: 16.07.18



Signed: 
Steve Mawson, Chief Financial Officer & Assistant Director Finance

Date: 16.7.18

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