

**Name of meeting:** Cabinet  
**Date:** 15<sup>th</sup> November 2016  
**Title of report:** Dewsbury Education Village - Pioneer House and land at Bradford Road, Dewsbury

<b>Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?</b>	Yes
<b>Is it in the Council's Forward Plan?</b>	Yes
<b>Is it eligible for "call in" by Scrutiny?</b>	Yes
<b>Date signed off by Director &amp; name</b>	Jacqui Gedman – 03/11/16
<b>Is it signed off by the Assistant Director - Financial Management, Risk, IT &amp; Performance?</b>	Debbie Hogg – 04/11/16
<b>Is it signed off by the Assistant Director - Legal, Governance &amp; Monitoring?</b>	Julie Muscroft – 02/11/16
<b>Cabinet member portfolio</b>	Councillor P McBride – Place (Economy, Skills, Transportation and Planning)

**Electoral wards affected:** Dewsbury East and Dewsbury West

**Ward councillors consulted:** Dewsbury East - Cllrs Scott, Firth and Kane and Dewsbury West – Cllrs O'Donovan, Pervaiz and Hussain.

**Public or private:** Public with private appendices

Appendix two is recommended to be taken in Private because the information contained in them are considered to be exempt information under Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006, as it contains information relating to the financial or business affairs of any particular person (including the authority holding that information). It is considered that it would not be in the public interest to disclose the information contained in the report as disclosure could potentially adversely affect overall value for money and could compromise the commercial confidentiality of the bidding organisations and may disclose the contractual terms, which is considered to outweigh the public interest in disclosing information including, greater accountability, transparency in spending public money and openness in Council decision-making.

## **1. Purpose of report**

This report seeks:-

- 1.1 Approval for the Council to support Kirklees College in the creation of a new education facility in Dewsbury through the disposal of Council owned property at Bradford Road, Dewsbury, commonly known as “the former Safeway site”.
- 1.2 To update members on progress regarding the refurbishment of Pioneer House as part of the wider Dewsbury Learning Quarter project (DLQ)

## **2. Key points**

Cabinet on 08<sup>th</sup> March 2016 endorsed the Council's commitment to work with Kirklees College to progress DLQ. Cabinet also requested further reports outlining the detailed terms of the disposal of Pioneer House and the land at Bradford Road (the former Safeway site) are brought to a future Cabinet meeting for consideration.

The current College premises, comprising of the main campus and the Wheelwright building, occupy 18,000m<sup>2</sup> of floor space on Halifax Road. The relocation of the College campus closer to Dewsbury town centre will reduce the accommodation requirement to c.8,100m<sup>2</sup>. Comprising of 3,600m<sup>2</sup> in Pioneer House, and c.4,500m<sup>2</sup> in a new building to be developed on Bradford Road to create the DLQ. The relocation will see the consolidation of approximately 1,600 daytime students on Bradford Road and a further 1,000 students in Pioneer House.

The project seeks to rationalise the College's existing Dewsbury campus with a reduction of 52% of existing floor-space. The new facility will enhance education provision in North Kirklees and provide a driver for the regeneration of the area.

Kirklees College has submitted an application to the LEP for Skills Capital Fund. The application sought a capital grant to undertake a fit-out programme to Pioneer House and development of the DLQ. The application was endorsed by the Local Enterprise Partnership (LEP) on 07<sup>th</sup> June 2016 and approved by the West Yorkshire Combined Authority on 23<sup>rd</sup> June. The College have been awarded approximately £11.1m of Skills Capital Grant and a loan facility of £4m (total £15.1m) to support the delivery of the proposal subject to completion of formal paperwork.

### **2.1 Pioneer House**

To facilitate the occupation of Pioneer House by the College, the Council will undertake a programme of landlord's works. This will provide a platform level for subsequent fit-out for the College. The college will be undertaking fit-out works to Pioneer House following the completion of the council's landlord's works. It is anticipated the fit-out works will commence in Autumn 2017 and be

completed in Summer 2018 allowing operational use of the building by the college from Autumn 2018.

A further report will be submitted to Cabinet for consideration providing an update on works to Pioneer House at a later date.

## **2.2 Former Safeway site, Bradford Road, Dewsbury**

Cabinet approved the acquisition of the former Safeway site on 05<sup>th</sup> March 2008 and the acquisition was completed on 25 September 2008. Cabinet on 25<sup>th</sup> August 2015 authorised officers to undertake a marketing exercise in respect of the site. The Council, via Walker Singleton, marketed the site receiving offers on 29<sup>th</sup> January 2016. The site boundary is noted in appendix one. These were duly reported to Cabinet on 08<sup>th</sup> March. The unrestricted market value has been established for the site. The details of the offers received are contained in private appendix two.

The College have appointed a contractor for the new build element of the DLQ. The detailed planning application for the proposal was approved 06<sup>th</sup> October 2016 (application number - 2016/92420).

It is anticipated that enabling works, to prepare the site for construction works, will commence in January 2017, with the main construction works following on in March and completion in late January 2018. To allow these timescales to be met requires the disposal of the Bradford Road site to the College to be completed as soon as possible.

The Council is under a statutory duty to obtain the *best consideration* that can reasonably be obtained when disposing of land and property. Circular 06/03: Local Government Act 1972 General Disposal Consent (England) 2003, issued by the Department for Communities and local Government, states that best consideration is generally the unrestricted Market Value and is the best price reasonably obtainable for the disposal where the principal aim was to maximise the value of the receipt. The unrestricted value should take account of whatever uses might be permitted by the local planning authority. The College have confirmed they will acquire the site, at best consideration, in accordance with the Council's statutory duty.

The terms of the disposal would be the gross value of the site less any reasonable adjustments for abnormal site costs associated with the specific College Development the details of which to be agreed by the Assistant Director (Place) in consultation with the Assistant Director (Legal, Governance and Monitoring).

## **3. Implications for the Council**

Delivering the transformational new education based will be undertaken in three distinct stages. The first stage is the acquisition and subsequent development of Bradford Road for DLQ by the College. This will be followed by the landlord's programme at Pioneer House and then stage three, the College undertaking the occupation fit-out programme at Pioneer House.

The disposal of the land at Bradford Road is an essential element of the overall project and is needed in order to allow the works to start, thus securing

a large capital receipt for the Council and allowing the wider project to progress and subsequently the LEP grant to be spent.

### **3.1 Legal Implications**

The Council will be required to enter into relevant legal documentation to achieve the disposal.

### **3.2 Financial Implications**

On 23<sup>rd</sup> June 2016 the West Yorkshire Combined Authority approved a capital envelope of £11.1m grant and £4m capital loan towards the redevelopment of Pioneer House and creation of Dewsbury Learning Quarter.

The Council is under a statutory duty to obtain *best consideration* that can reasonably be obtained when disposing of land and property. The land on Bradford Road, Dewsbury, has been exposed to the open market and it is considered the unrestricted market value of the site has been established. It is proposed that Kirklees College will acquire the site, at best consideration, in accordance with the Council's statutory duty.

### **3.3 Human Resources Implications**

None.

### **3.4 IT Implications**

None.

### **3.5 Strategy and Partnership Implications:**

The Kirklees Economic Strategy identifies the transformation of Dewsbury town centre as a major priority. The redevelopment of Pioneer House and the creation of the DLQ will start this transformation journey.

The working LEP Strategic Economic Plan (2016 - 2036) identifies the North Kirklees Housing and Enterprise Growth Zone (NKGZ) as a priority (see Cabinet 17<sup>th</sup> November 2015 for background report).

The relocation and creation of the DLQ is expected to generate directly and indirectly an estimated £82.4 million Net Value Added contribution over the first ten years of the project on Dewsbury town centre.

## **4. Consultees and their opinions**

Local ward councillors and Dewsbury and Mirfield District Committee expressed support on 30<sup>th</sup> June 2016 to the redevelopment of Pioneer House and delivering DLQ with the resultant transformational impact on Dewsbury town centre.

The Portfolio holder has been consulted and is supportive of working with Kirklees College to redevelop Pioneer House and the delivery of DLQ.

## **5. Next steps**

- Officers will support Kirklees College with the delivery of the DLQ proposal.
- Further Cabinet reports will be presented for consideration in respect of the redevelopment of Pioneer House.

## **6. Officer recommendations and reasons**

It is recommended that Cabinet:

- a) Approves the disposal of the land at Bradford Road, Dewsbury, as illustrated in the site plan at appendix one, to Kirklees College for provision of the Dewsbury Learning Quarter, as outlined in the report. The value as set out in 1.3 in appendix two (private).
- b) Delegates authority to the Assistant Director (Legal, Governance and Monitoring), in consultation with the Assistant Director (Place) to enter into all appropriate contracts, deeds and documents in relation to the sale of the land at Bradford Road, Dewsbury with the Kirklees College.
- c) Delegates authority to the Assistant Director (Place) in consultation with the Assistant Director (Legal, Governance and Monitoring) to agree any reasonable adjustments in relation to abnormal site costs associated with the specific College Development.

## **7. Cabinet portfolio holder recommendation**

The portfolio holder, Cllr Peter McBride, agrees with the officer proposals and recommendations and would ask Cabinet to do the same.

“The transformation of Dewsbury is not only a priority for the Council but it is for the City Region. The Combined Authority has provided a capital envelope which will support the creation of a new educational village in Dewsbury and stimulate the reoccupation of Pioneer House. This approval is the first step in delivering the Council’s collective commitment to regenerate North Kirklees in partnership with key stakeholders including Kirklees College.”

## **8. Contact officer and relevant papers**

Andrew Jackson, Principal Regeneration Manager

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Tel: 01484 221000

### **Papers:**

Appendix one (public) – site plan

Appendix two (private) – details of marketing

## **9. Background Papers and History of Decisions**

- Cabinet 08<sup>th</sup> March 2016 – Pioneer House and land at Bradford Road, Dewsbury
- Cabinet 17<sup>th</sup> November 2015 – North Kirklees Housing and Enterprise Growth Zone
- Cabinet 25<sup>th</sup> August 2015 – Land at Bradford Road, Dewsbury – former Safeway site
- Cabinet 05<sup>th</sup> March 2008 – Strategic land acquisition in Dewsbury
- Cabinet 25<sup>th</sup> July 2007 – Dewsbury Master-planning

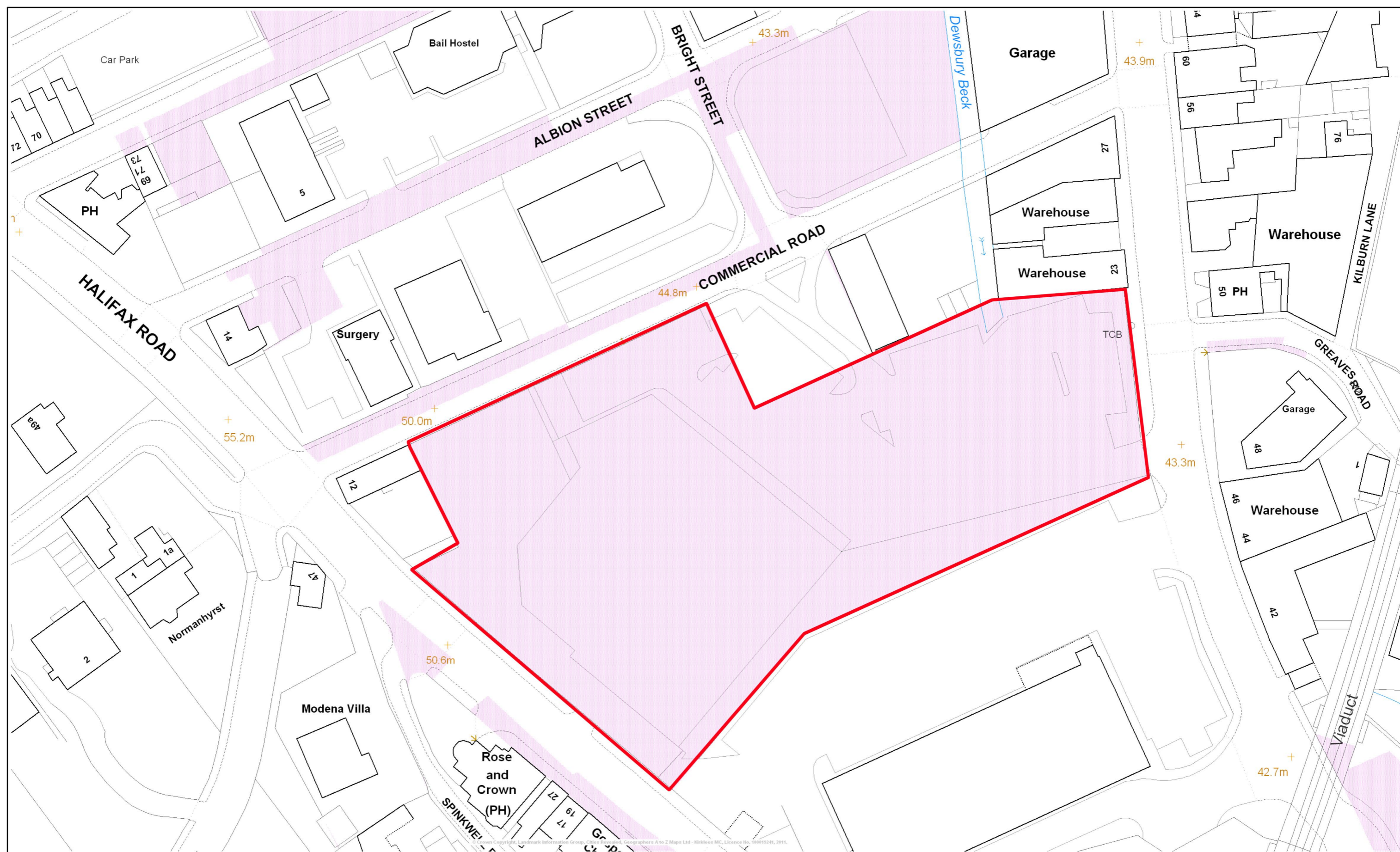
## **9. Assistant director responsible**

Paul Kemp, Assistant Director – Place

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**Former SAsfeway Site, B'ford Rd, Dews**

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