
**POTENTIAL SALE OF LAND AT THE ARTS CENTRE
TO THE QUEEN ELIZABETH SIXTH FORM COLLEGE**

**Responsible Cabinet Member - Councillor Andy Scott, Health and Leisure Portfolio and
Councillor Stephen Harker, Resources Portfolio**

Responsible Director - Paul Wildsmith, Director of Corporate Services

SUMMARY REPORT

Purpose of the Report

1. To consider the sale of part of the Arts Centre building to the Queen Elizabeth Sixth Form College (QESFC) to enable them to develop.

Summary

2. The Council has been approached by the QESFC about the potential to purchase part of the Arts Centre to support the further development of the College. The acquisition by the College would enable them to respond to an increase in student demand and to develop their curriculum in response to the 14-19 agenda. Members are being asked to consider whether they are willing to approve the principle of the disposal of part of the Arts Centre to enhance education opportunities in the Borough.
3. High level terms have been agreed however these are subject to further detail work and negotiation. The impact on users of the Arts Centre is considered to be manageable and early discussions indicate that an agreement can be reached that will represent good value.

Recommendation

4. It is recommended that Cabinet :-
 - (a) Approve the principle of disposing of a portion of the Arts Centre to the Queen Elizabeth Sixth Form College.
 - (b) That the finalisation of the terms of the sale be delegated to the Director of Corporate Services in consultation with the Cabinet Members for Resources and Health and Leisure Portfolios.

Reasons

5. The recommendations are supported by the following reasons :-
- (a) To enable the QESFC to continue to develop and support the aims of the Community Strategy.
 - (b) To enable terms to be agreed in a timely manner.

Paul Wildsmith
Director of Corporate Services

Background Papers

No Background papers were used in the preparation of this report.

S17 Crime and Disorder	There are no issues in this report that relate directly to S17 Crime and Disorder
Health and Well Being	There are no issues in this report that relate directly to Health and Well Being
Sustainability	It is anticipated that the building extensions to the QESFC will be to a sustainable standard
Diversity	The expansion of the QESFC will give increased opportunity to access higher education to all groups within the Community
Wards Affected	All wards
Groups Affected	Pupils aged 16-19 years
Budget and Policy Framework	The proposals in the report are not expected to have an impact on the revenue budget and the potential capital receipt is not built into the existing MTFP.
Key Decision	This does represent a key decision
Urgent Decision	This is not an urgent decision
One Darlington: Perfectly Placed	The expansion of the QESFC would support the aims of the Aspiring Darlington theme

MAIN REPORT

Information and Analysis

6. Members will be aware of the excellent academic achievements of the College making it one of the top performing colleges in the Country. The College offers pupils from the Council's Secondary Schools an established route to higher education with 85% of students progressing to higher education within one year of leaving college.
7. The College are aware and involved in the Council's plans to increase academic attainment in Darlington and see a potential increase in demand for college places as attainment increases in the coming years. In addition to this, the College wish to increase the range and richness of their curriculum to meet the changing demands of the 14 to 19 agenda which includes the change of age of compulsory education and training to 17 in 2013 and then to 18 in 2015. The aspiration of the College to meet the future demands placed on it is currently limited by the size of its existing accommodation and therefore the College has been examining its options. The three options initially considered are:-
 - (a) Expansion on the existing site;
 - (b) Relocation to a new site; and
 - (c) The Preferred option – extension by acquiring land at the Arts Centre.
8. It is anticipated that Option (c) would produce the accommodation necessary to meet an increased demand from Darlington students.

Land Required for Proposed College Redevelopment

9. The feasibility work undertaken by the College has produced a requirement for approximately 0.5 acre of land at the rear of the Arts Centre as shown on the map attached at **Appendix 1**. Members will see that the land highlighted is currently occupied by elements of the Arts Centre building and should the development progress there will be a need to demolish part of the Arts Centre and make good the remaining building. Much of the buildings to be demolished are under utilised, in poor condition and not core to the provision of services within the Arts Centre with the exception of the recently built Young People's Theatre which was funded from the Arts Centre grant at a cost of £300,000. The facility will need to be reprovided and early discussions with the College indicate that they will provide a similar facility within their development with community access rights. Should the scheme progress, detailed discussions will be needed with the Arts Council on the reprovision of the facility.

Initial Terms Discussed

10. No final terms have been agreed at this stage however initial without prejudice discussions have taken place and these are set out below to enable Members to consider in principle agreement to the proposal :-
 - (a) Sale proceeds due to the Council – see **Part III Appendix** for details, the sums under discussion are confidential at this stage.

- (b) Demolition and making good the Arts Centre building – College responsibility
- (c) Reprovision of the Young Peoples Theatre – Council responsibility however this may be in partnership with the College.

Valuation

- 11. The sale of a proportion of the site at this stage as opposed to sale at any future date of the whole site is not seen as detrimental to gaining best value.
- 12. The Arts Centre is subject to a covenant from the previous owners, The British & Foreign Schools Society of 50% of the increased value due to planning permission being granted up until 2011. This covenant would therefore come into operation and an estimate of the increased value from use as an Arts Centre to that of a further education establishment would have to be undertaken. The initial view is a significant increase in value is not anticipated however this is subject to negotiation and discussion with the Society.

Planning

- 13. Initial discussions have taken place with the College on a without prejudice basis and there are no significant issues to overcome in terms of the outline proposals to the development. The relationship of the site to nearby residential properties and its Conservation Area location would need to be taken into account within the detailed design of the scheme.

College Information

- 14. In considering the disposal of this land, Members may wish to consider the following information about the college intake which demonstrates their current contribution to the Community Strategy and highlights the potential to do more should the redevelopment go ahead.
 - (a) 588 (37%) of students from most disadvantaged 25% wards in country
 - (b) 252 (16%) of students from most disadvantaged 10% wards in country
 - (c) 85% of QE 16-19 students progress to Higher Education (university) directly or within one year of leaving
 - (d) 60% of students are from families with no tradition of Higher Education
 - (e) One third of students receive an Education Maintenance Allowance (EMA)
 - (f) Retention rate is well over 90%. Students complete the course and progress.
 - (g) Percentages of 2007/08 Yr 11 cohort enrolled at the QESFC from Darlington 11-16 schools range from 19% (Eastbourne) to 64% (Hummersknott).

Impact on Arts Centre Users

15. Arts Centre users/groups utilise elements of the centre which would be demolished should the scheme go ahead and they have been contacted about the possibility of this scheme progressing and the potential impact upon their use of the Arts Centre. An initial review of the implications of the scheme suggests that it will be possible to relocate all users in suitable alternative accommodation.

Financial Implications

16. At this stage, detailed costings of the impact of the demolition on the revenue budget of the Arts Centre has not been undertaken however officers are confident that the net impact would not be detrimental and more likely to lead to a reduction in the net budget. Detailed work will be undertaken as the scheme progresses. The receipt from disposal of the land at the Arts Centre is not budgeted.

Outcome of Consultation

17. There has been no consultation on the proposal at this stage as in principle approval is being sort, however impacted users have been briefed.