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**LAND ADJACENT TO FEETHAMS LEISURE SITE -  
LEASE OF ADDITIONAL LAND**

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**Responsible Cabinet Member - Councillor Stephen Harker,  
Efficiency and Resources Portfolio**

**Responsible Director - Ian Williams, Director of Economic Growth**

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**SUMMARY REPORT**

**Purpose of the Report**

1. To have the area of land shown by cross hatching on the attached plan (**Appendix 1**) declared surplus.
2. To seek authority for the disposal of the land on a long term lease.

**Summary**

3. There is an area of land between the site of the Feethams Leisure Complex and the Adopted Highway which once constructed was to be adopted by the Council with a view to it being used by one of the restaurant units of the complex for external dining under a Street Licence.
4. However, it is now considered preferable that the land is not adopted to ensure it remains available for use by the tenants of the restaurant. The recommended option would be to declare this land surplus and for the Council to grant the developers Terrace Hill, a separate lease.

**Recommendation**

5. It is recommended that:-
  - (a) Cabinet declare the land identified by cross hatching on Appendix 1 surplus to operational requirements, and
  - (b) The Director of Economic Growth in consultation with the Cabinet portfolio holder be authorised to negotiate and complete lease terms with Terrace Hill in line with those set out in paragraphs 12 and 13 of the report.

## Reasons

6. The recommendations are supported by the following reasons :-
- (a) To ensure the land is available for use to promote an active frontage to the scheme, and
  - (b) To contribute to the economic viability of the adjacent unit.

**Ian Williams**  
**Director of Economic Growth**

Guy Metcalfe: Ext 6725

## Background Papers

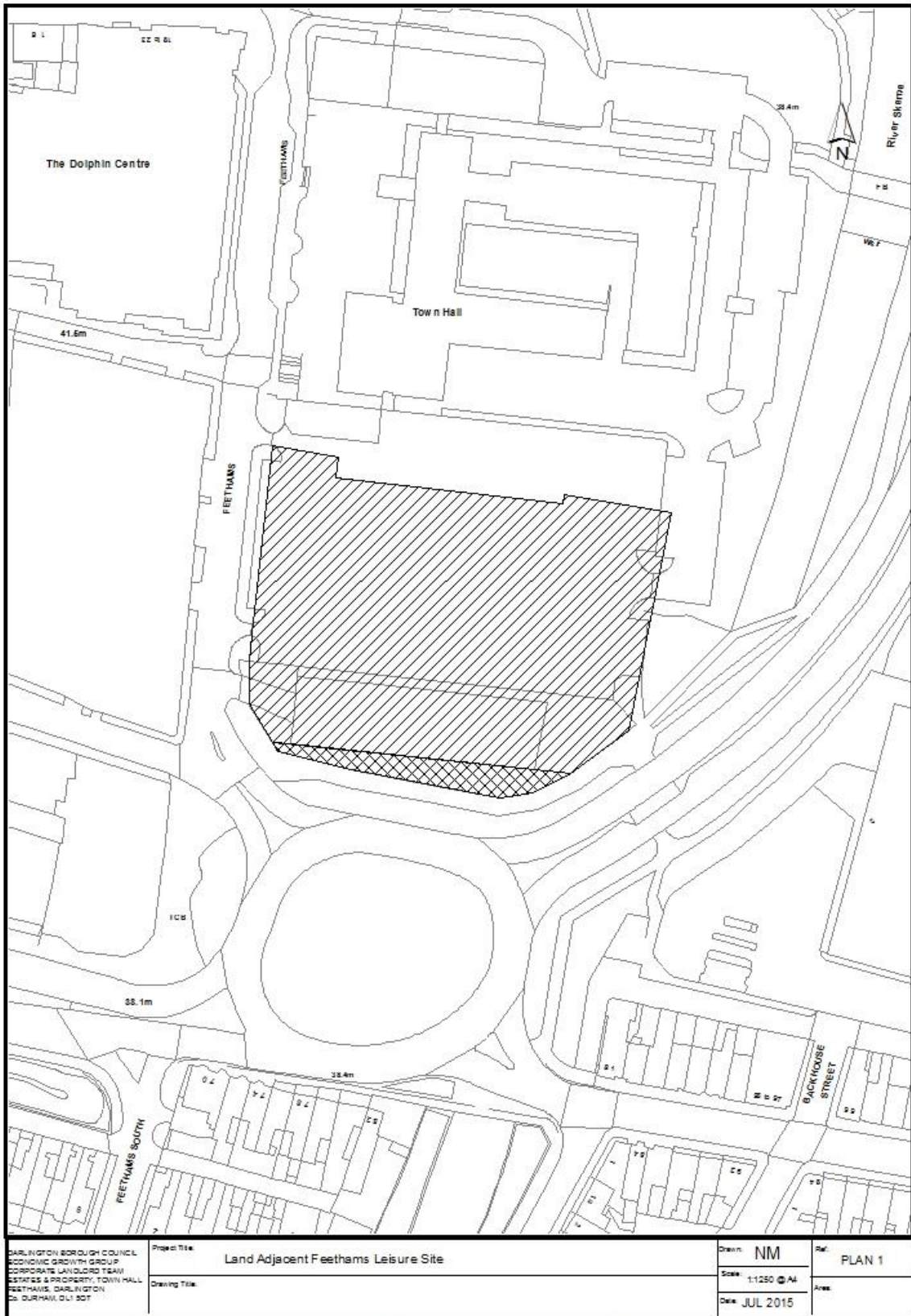
No background papers were used in the preparation of this report.

S17 Crime and Disorder	There are no specific Crime and Disorder implications
Health and Well Being	There are no specific implications on Health and Wellbeing
Carbon Impact	The carbon impact of any proposed development will be subject to approval through the planning process
Diversity	There are no diversity implications
Wards Affected	Central
Groups Affected	All groups are affected equally
Budget and Policy Framework	This decision does not represent a change to the budget and policy framework
Key Decision	This is not a key decision
Urgent Decision	This is not an urgent decision
One Darlington: Perfectly Placed	There are no implications for One Darlington: Perfectly Placed
Efficiency	There are no Efficiency implications

## MAIN REPORT

7. Under the terms of the Development Agreement for the construction of a leisure complex, to include a Cinema, on the land shown hatched on Appendix 1, the developer, Terrace Hill, was to surface and otherwise improve the land shown cross hatched to Adoptable Highway Standard and the Council would adopt it.
8. The development brief for the site sought active frontages to the scheme to include external dining areas.
9. The unit adjacent to the land in question, is in the course of construction and is to be a licenced restaurant with external dining in line with the development brief for the site.

10. The adoption of land as highway introduces rights of use for both the public and utility companies. This approach would make the land vulnerable to Statutory Undertakers who would then have a legal right to position services within it, which could impact on the operation of the outside area. The adoption would also mean the design and maintenance would be required to meet highway standards, with the maintenance potentially at the Council's cost.
11. To avoid these potential risks it is recommended that the Council declare the land surplus and lease it to the developer. In order to protect the Council's position the arrangement needs to be formally regularised. To avoid the need for the Council take on the estate management, and potential maintenance liability of the land if the adjoining unit becomes vacant during the term of the lease it is recommended to let the land to Terrace Hill rather than directly to the occupational sub-tenant of the restaurant unit.
12. Terrace Hill and the occupational sub-tenant of the adjacent unit are the only potential tenants for the land and given its location there is considered to be limited potential to secure income from permitting use of the land under licence. Therefore, it is appropriate to let the land at a peppercorn.
13. This approach would have the benefit of enabling the developer to design, build and manage the area in a consistent approach to the development (subject to designs in the leased area being approved by Council Officers). The area in question would be controlled through the licensing process that applies to the building.
14. The other terms of the lease will require that onward sub-letting is restricted to a supplemental lease attached to the lease of the adjacent unit, and other controls on its use.



<p>DURLINGTON BOROUGH COUNCIL ECONOMIC GROWTH GROUP CORPORATE LANDLORD TEAM ESTATES &amp; PROPERTY, TOWN HALL FEETHAMS, DURLINGTON Co. DURHAM, DL1 5DT</p>	<p>Project Title <b>Land Adjacent Feethams Leisure Site</b></p> <p>Drawing Title</p>	<p>Drawn: <b>NM</b></p> <p>Scale: <b>1:1250 © A4</b></p> <p>Date: <b>JUL 2015</b></p>	<p>Ref: <b>PLAN 1</b></p> <p>Area:</p>
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