

Land Acquisitions and Leases

APPENDIX 2

Land Acquisitions

1. A number of parcels of land were required in order to deliver DRHQ. An update on acquisitions is below:

(a) Land behind North Road next to Skerne Bridge, shown below for the car park purchased (shown shaded pink and blue on the attached title plan) purchased for £50,000 + VAT together with an access strip from John Street (shown hatched on the second plan) for £37,500 + VAT.



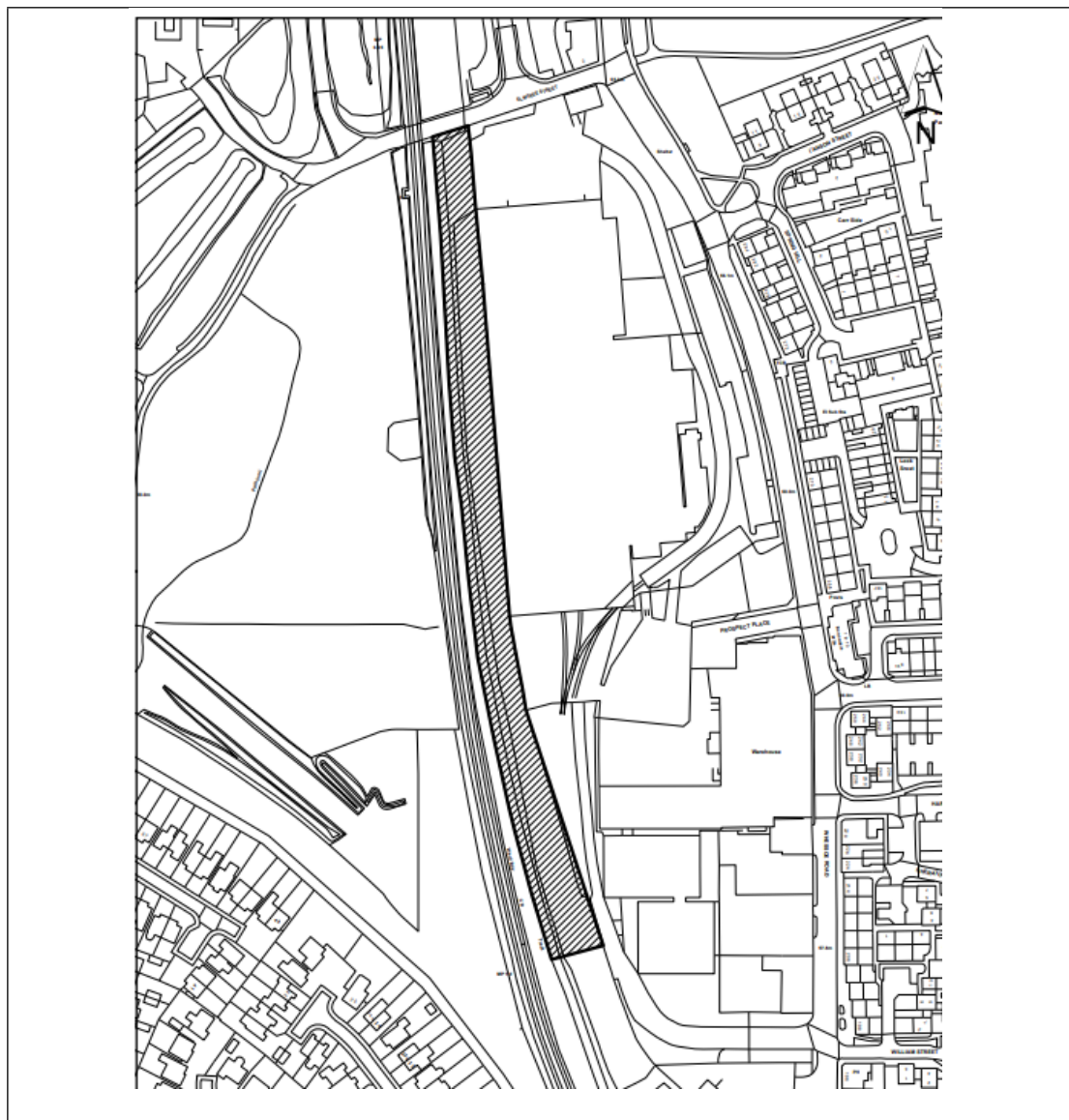
(b) Small strip of land between cycleway/footpath from Skerne Bridge to North Road between Darlington Borough Council land and Network Rail land, shown below. Provisional price agrees £5,000 plus fees. This is currently with Legal to finalise.



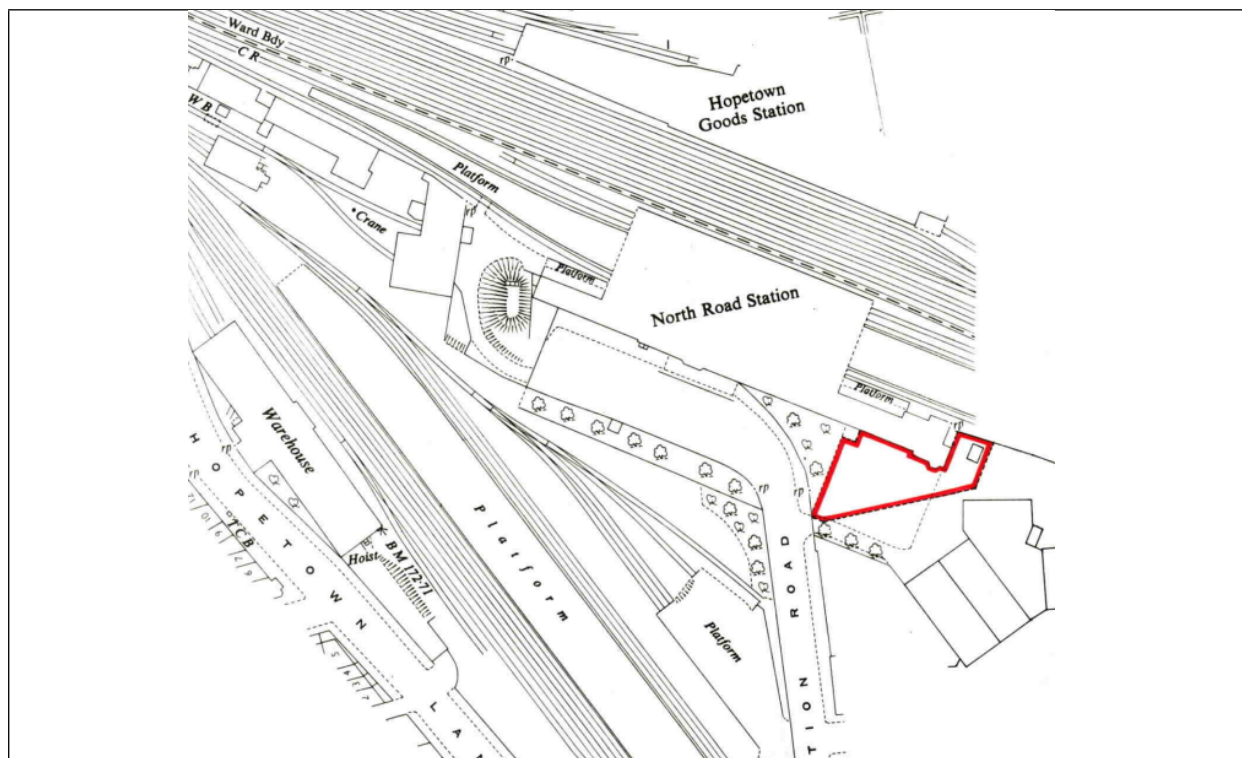
- (c) Network Rail land and 1861 Shed, shown below shaded blue for £245,000 plus VAT, which shall be payable but with a £95,000 cap on the cost of contamination removal on an open book basis to be repaid to the Council if required.



- (d) A strip of land from the 1861 Shed north to Elm Street bridge shown below to enable the private siding to connect to the mainline. This land will also be used for the cycling and walkway connecting up to DRHQ with aspiration to link through to Burtree Lane and then onto Patches Lane. In principal agreement has been reached with Network Rail and negotiations should be concluded soon.



- (e) Small piece of land owned by Museum Trust within the goods yard, shown below for £20,000. There is a meeting planned for the trustees and their solicitor to sign the agreement and it is anticipated the land transfer will take place before the end of February 2022. However, the transfer has progressed very slowly so it is proposed that Members authorise officers to investigate preliminary works necessary to make a Compulsory Purchase Order so that the acquisition can be guaranteed if the transfer has not been completed by the end of February.



Site Partners Lease

2. There are currently a number of partners on site that will remain, however some will need to relocate as part of the development. The A1 Steam Locomotive Trust (A1SLT) will relocate from the carriage works to the new build shed. The other tenant in the carriage works North Eastern Locomotive Preservation Group (NELPG) could not accept the alternative accommodation offered in the refurbished 1861 Shed as they believed it was not suitable for their purposes and therefore unfortunately will relocate to another site. NELPG have agreed to vacate the carriage works by 31 December 2022 and will receive statutory compensation of £15,800.
3. Darlington Railway Preservation Society (DRPS) are currently located in the goods shed and officers have worked with representatives from DRPS to try and come to agreement with regard to their relocation into one half of the 1861 Shed. To date agreement has not been possible, however progress on agreeing the lease continues and officers are hopeful an agreement can be reached. However, to protect the Council's position and ensure we have vacant possession in early 2023 it has been necessary to start formal proceedings to bring DRPS tenancy to an end.
4. Both A1SLT and DRPS will need to enter into a lease and service level agreement (SLA) with the Council to deliver a range of activities and contribute to the overall offer on site in lieu of full commercial rent. There will be a number of core requirements in the SLA and others that will be agreed annually to link in with that year's events programme. In the case of A1SLT, it is proposed their annual rent will be £4K with the building having a commercial rent of approximately £90K, therefore the added value they will need to demonstrate through the SLA will be equivalent to £86K. For DRPS, the proposed rent will be £1K, with a commercial rent of approximately £23K the added value they will need to agree to is £22K. This will be monitored on an annual basis.

5. The Friends of Stockton and Darlington Railway (FS&DR) will operate from the lime cells which will be refurbished subject to a successful National Lottery Heritage Fund bid. The FS&DR will contribute to the overall site offer again in lieu of full commercial rent.
6. The Darlington Model Railway Club and North Eastern Railway Association (NERA) will continue to operate out of the goods agent's office on McNay Street.
7. The Friends of the Museum, whilst they don't have a formal base, operate out of the Head of Steam and will continue to do so post refurbishment.