

COUNCIL CABINET

15 July 2020

Minute extract

Key Decisions

08/20 New Performance Venue

The Council Cabinet considered a report which sought authority to realise the Council's ambition for a major performance venue in the City Centre and to acquire a new 3,500 capacity, highly flexible, performance arena within the Becketwell Regeneration area ("Performance Arena").

The report also sought approval for the demolition of the Assembly Rooms site to facilitate future alternative use. To continue to work collaboratively with Derby's cultural partners to maximise the cultural vibrancy of the city taking into account the impact of the new Performance Arena and of Covid19 on the wider visitor economy.

The report also sought authority to acquire 3rd party land to support the continued development of the Becketwell Regeneration area including the new Performance Arena and to authorise officers to commence and pursue Compulsory Purchase Order(s) where necessary.

The Executive Scrutiny Board recommended to Council Cabinet

1. that this proposal for a new performance venue is only carried forward once alternative accommodation has been found for the Padley Centre, recognising the key work conducted to support the homeless population in the city, and if this alternative accommodation cannot be found that the private operator is offered the current Assembly rooms site or appropriate accommodation for the Padley Centre is built into the Becketwell development;
2. that the proposal to demolish the current assembly rooms is only carried forward once alternative car parking provision for those that currently use the assembly rooms has been secured; and
3. that it considers very carefully the extent of the delegation that it is giving to officers and whether there is sufficient democratic oversight by councillors.

Options Considered

1. **Do nothing** – The Becketwell and Assembly Rooms sites were both absolutely critical to the successful regeneration, economic performance and vibrancy in the city centre. The option of allowing the Assembly Rooms to remain in situ as a redundant building and rejecting the proposal from SJS for a new Performance Venue at Becketwell was not considered the right one and did not deliver value for money. These proposals had a huge part to play in city centre regeneration the Council has a unique role in making them happen given the historic market failures.

2. **Deliver a new Performance Venue on the Assembly Rooms site** – The Council could choose an alternative site for a performance venue, with the Assembly Rooms site being the only one in the city centre and in Council ownership that was large enough. The proposal from SJS for delivery model based on a forward funding agreement was considered to deliver better value for money for the Council given the delivery risk transfer to the developer. On entering an Exclusivity Agreement with SJS as referred to above, the Council would not legally be able to pursue any alternative proposal for a venue of comparable specification to the one proposed by SJS.

Decision

1. To authorise the Strategic Director for Communities & Place following consultation with the Director of Finance, Director of Legal, Procurement and Democratic Services and the Cabinet Member for Regeneration, Planning and Transportation to take all necessary actions to finalise and enter into all necessary contractual arrangements to acquire a new Performance Arena, with the benefit of a lease to an operator, in the Becketwell Regeneration area, subject to defined financial parameters.
2. To authorise the Strategic Director for Communities & Place following consultation with the Director of Financial Services and the Cabinet Member for Finance and Procurement to submit bids for and consequentially accept external funding and enter into any external funding arrangements to support this acquisition or the wider regeneration of the Becketwell Regeneration area.
3. To authorise the Strategic Director for Communities & Place following consultation with the Cabinet Member for Regeneration, Planning and Transportation to seek alternative uses for the existing Assembly Rooms site and to bring forward a Cabinet report setting out options as soon as possible
4. To approve additions to the Council's Capital Programmes subject to approval through the Council's gateway process as follows:

	£000s
Becketwell Performance Arena	35,144
Becketwell Regeneration Area	1,400
Project Management Costs (Capitalised)	556

5. To approve prudential borrowing as the Capital Financing Source and include in the MTFP and Prudential Indicators for 2021/22 onwards.

6. To recommend to Council to approve an increase in the borrowing requirement by £37.100m to undertake this investment from prudential borrowing.
7. To delegate authority to the Director of Financial Services to profile the Capital Programme and the MTFP in line with the contractual arrangements for acquisition and operation of the Performance Arena.
8. To incorporate within the MTFP the revenue implications (including borrowing costs) detailed within this report.
9. To note that further reports will be brought forward to Cabinet in respect of
 - (a) the re-provisioning of the Padley Centre; and
 - (b) Derby Arena (Velodrome) Business Case.
10. To acquire the Padley Centre site as part of the Becketwell Regeneration area site assembly by mutual consent. If this was not possible, to authorise the Director of Property to take all necessary steps to pursue compulsory purchase orders to acquire the Padley Centre site and any other third-party land to support the continued development of the Becketwell Regeneration area.
11. To note that the Assembly Rooms building was surplus to requirements and the intended submission of a planning application by the Council to allow its demolition as the first stage in the redevelopment of the site.
12. Subject to planning permission being secured to proceed with the demolition of the Assembly Rooms, to adopt an active strategy to ensure the regeneration of the Assembly Rooms site as soon as possible and in the interim secure appropriate meanwhile uses.
13. To authorise the Strategic Director for Communities and Place, following consultation with the Cabinet Member for Governance and Licensing and the Director of Financial Services to enter into negotiations to terminate the contract for the refurbishment of the Assembly Rooms.
14. To authorise the Strategic Director for Communities and Place, following consultation with the Cabinet Member for Governance and Licensing and the Director of Financial Services:
 - to invite tenders for the demolition of the Assembly Rooms and associated works;
 - to appoint a contractor to undertake such demolition and associated works, following a successful tender exercise;

15. To allocate the balance of the existing Assembly Room Refurbishment capital approval (net of demolition and other costs) to the proposed Performance Arena scheme at Becketwell.

16. To accept recommendations 1 and 3 from Executive Scrutiny Board

- that this proposal for a new performance venue is only carried forward once alternative accommodation has been found for the Padley Centre, recognising the key work conducted to support the homeless population in the city, and if this alternative accommodation cannot be found that the private operator is offered the current Assembly rooms site or appropriate accommodation for the Padley Centre is built into the Becketwell development.
- that it considers very carefully the extent of the delegation that it is giving to officers and whether there is sufficient democratic oversight by councillors.

17. To reject recommendation 2 from the Executive Scrutiny Board.

Reasons

1. To bring forward proposals to create a new performance venue in the city centre to support the economic and cultural vibrancy of Derby City in line with the City Centre Masterplan 2030 and to support the city's economic recovery following the impacts of Covid 19.
2. To progress the demolition of the Assembly Rooms building and the development of a strategy to regenerate the Assembly Rooms site.