

Guildhall Gainsborough
Lincolnshire DN21 2NA

Tel: 01427 676676 Fax: 01427 675170

AGENDA

This meeting will be recorded and the video archive published on our website

Overview and Scrutiny Committee
Tuesday, 12th November, 2019 at 6.30 pm
Council Chamber - The Guildhall

Members:

- Councillor Mrs Lesley Rollings (Chairman)
- Councillor Mrs Diana Rodgers (Vice-Chairman)
- Councillor Mrs Angela White (Vice-Chairman)
- Councillor Liz Clews
- Councillor David Dobbie
- Councillor Jane Ellis
- Councillor Mrs Caralyne Grimble
- Councillor Cherie Hill
- Councillor Mrs Angela Lawrence
- Councillor Keith Panter
- Councillor Roger Patterson
- Councillor Lewis Strange

1. Apologies for Absence

2. Minutes of the previous meeting

3 - 6

Meeting of the Overview and Scrutiny Committee held on 3 September, 2019

3. Members' Declarations of Interest

Members may make any declarations of interest at this point and may also make them at any point during the meeting.

4. Matters Arising Schedule

7

Matters arising schedule setting out current position of previously agreed actions as at 4 November 2019.

5. **Presentation Item - Lincolnshire Police** 8
- Presentation from Lincolnshire Police for bi-annual report on crime, disorder and safety in West Lindsey.
6. **Public Reports**
- i) Pre-Scrutiny of 5-7 Market Place Refurbishment 9 - 140
- ii) Selective Licensing Annual Update O & S 141 - 153
7. **General Work Items**
- i) Forward Plan 154 - 162
- ii) Committee Workplan 163
8. **Exclusion of Public and Press**
- To resolve that under Section 100 (A)(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act.
9. **Pre-scrutiny of Gainsborough Market report** 164 - 205

Ian Knowles
Head of Paid Service
The Guildhall
Gainsborough

Monday, 4 November 2019

WEST LINDSEY DISTRICT COUNCIL

MINUTES of the Meeting of the Overview and Scrutiny Committee held in the Council Chamber - The Guildhall on 3 September 2019 commencing at 6.30 pm.

Present: Councillor Mrs Lesley Rollings (Chairman)
Councillor Mrs Angela White (Vice-Chairman)

Councillor Mrs Caralyne Grimble
Councillor Jeff Summers

In Attendance:
Alan Robinson Director of Governance/Monitoring Officer
Ele Snow Democratic and Civic Officer

Apologies: Councillor Mrs Diana Rodgers
Councillor David Dobbie
Councillor Cherie Hill
Councillor Mrs Angela Lawrence
Councillor Roger Patterson
Councillor Mrs Judy Rainsforth
Councillor Lewis Strange

10 MINUTES OF THE PREVIOUS MEETING

RESOLVED that the Minutes of the meeting of the Overview and Scrutiny Committee held on 25 June 2019 be confirmed and signed as a correct record.

11 MEMBERS' DECLARATIONS OF INTEREST

There were no declarations of interest made at this stage of the meeting.

12 MATTERS ARISING SCHEDULE

The Committee gave consideration to the Matters Arising Schedule, setting out the current position of previously agreed actions, as at 23 August 2019.

The Democratic and Civic Officer explained there was one outstanding matter on the schedule regarding the invite to the Environmental Agency to attend a meeting of the Committee. Members heard that the invitation had been acknowledged and the Democratic and Civic Officer would make contact again in due course. There was a conversation about the purpose of the invitation and the Chairman confirmed there would be discussion in advance of their attendance to agree questions. A Member of Committee commented that it would be a good opportunity to enquire about the Humber Strategy and the Democratic and

Civic Officer confirmed she would make a note for the proposed questions.

RESOLVED that the Matters Arising Schedule as at 23 August 2019 be received and noted.

13 PROGRESS AND DELIVERY REPORT - PERIOD 1 2019/20

The Committee gave consideration to the Progress and Delivery Report for period one of the 2019/20 civic year. The Director of Governance explained that the report had been seen by both policy committees prior to the summer recess and the minutes of those meetings had been included with the report. He explained that Members had two roles, primarily to scrutinise the work of the two policy committees in challenging the details of the performance report but also to agree to the formation of a working group to review the performance measures to be used in 2020/21.

The Chairman highlighted that the role of the Committee was not to get embroiled in the details of the report, but rather to focus on the discussions held at the policy committees. She encouraged Members of Overview and Scrutiny to attend those policy meetings when the progress and delivery reports were heard in order to be able to see first-hand what discussions were had.

There was discussion regarding the rental of the former Lidl site and figures for missed waste collections. These details were clarified and acknowledged, by those who attended the policy meetings, that they had been discussed.

The Chairman read aloud the recommendations from the report and it was unanimously

RESOLVED that

- a) The Committee had examined the responses given to the report by the Corporate Policy and Resources Committee and the Prosperous Communities Committee and were assured that the appropriate level of challenge is being made by those committees to the information contained in the report; and
- b) The formation of a Member working group, comprising Members of O&S Committee, whose remit will be to oversee the performance measure and target setting process in readiness for 2020/21, be agreed.

14 FORWARD PLAN

The Director of Governance introduced the forward plan and explained that it showed all the items due to be seen through the committee system over the coming months. He highlighted it was for Members of the Committee to identify those reports which they wished to see for pre-decision scrutiny and the Chairman added that items could be chosen through the municipal year.

A Member of Committee requested three items to be seen for pre-scrutiny, those being 5-7

Market Place Refurbishment, Caistor Southdale Development and Local Discount for Almshouses.

The Director of Governance advised that, given the timescales and detail of the Almshouses report, it would more beneficial for the Member to be briefed personally about any plans or actions and this was agreeable to the Member.

The suggestion for the remaining two items was put to the vote and it was unanimously agreed for these two items to be called for pre-decision scrutiny.

RESOLVED that

- a) The forward plan be noted; and
- b) The workplan be updated as agreed.

15 COMMITTEE WORKPLAN

The Director of Governance introduced the workplan for the coming months and reiterated that it would be amended to include the items previously agreed in the meeting.

Members of Committee accepted there would be further items added to the work plan and with no further discussion it was

RESOLVED that:

- a) The workplan be noted, taking into account the additional items identified by the Committee.

16 EXCLUSION OF PUBLIC AND PRESS

RESOLVED that under Section 100 (A)(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 1 of Part 1 of Schedule 12A of the Act.

17 PREPARATION FOR PRESENTATION BY LINCOLNSHIRE POLICE

The Chairman introduced the proposed questions for Lincolnshire Police for their attendance at the October meeting. She explained the questions could be agreed as they were presented or Members could agree for the questions to be shared and finalised after the meeting.

Members of the Committee discussed details of concerns in their Wards and it was agreed that, although there were some common themes, details of specific examples could not be presented to the Police during their attendance in October.

The presented questions were agreed to be a solid starting point and Members identified other areas of concern, such as drug use and scam calls, that they would like to hear from the Police about.

It was therefore

RESOLVED that the proposed questions for the Police be amended to include the additional areas of concern and shared with Members for final comment.

The meeting concluded at 7.23 pm.

Chairman

Overview and Scrutiny Committee Matters Arising Schedule

Purpose: To consider progress on the matters arising from previous Overview and Scrutiny Committee meetings.

Recommendation: That members note progress on the matters arising and request corrective action if necessary.

Status	Title	Action Required	Comments	Due Date	Allocated To
Black	Invitation for Environment Agency to attend O&S	Invite the Environment Agency to attend O&S re flooding concerns across the district	Invitation accepted and attendance to be confirmed between January or February meeting.	27/09/19	Ele Snow

Agenda Item 5

Lincolnshire Police – Overview and Scrutiny – 12 November 2019

Questions / Areas of Interest

1. At the last visit, we heard that there were funding changes in the pipeline – have these changes come into effect and have there been any tangible improvements across the district / county?
2. There were concerns that Officer numbers would be reduced if funding arrangements weren't improved – have these concerns now been alleviated? Are there any plans for more recruitment?
3. What are the responsibilities and powers of PCSOs across the district?
4. What are the priorities for the Force across the district / county?
5. What increase have you seen in drug related activity, for example the County Lines problems, and how do you work with other agencies? Is there anything the Council could do to promote inter-agency working?
 - a. What percentage of crimes across the county and the district are related to drug use?
6. What information is distributed regarding scams across the district (such as scam telephone calls), how are they dealt with, and, again, is there anything the Council can do to assist?
7. Is there any focus being given to road safety across the district, in light of recent accidents that have resulted in fatalities?
8. Are there any issues of which Members should be aware, but maybe aren't, and are there any suggestions for how the Council can support the police?



**Overview and Scrutiny
Committee**

**Tuesday, 12 November
2019**

Subject: 5-7 Market Place Refurbishment

Report by:	Executive Director for Economic and Commercial Growth
Contact Officer:	Wendy Osgodby Senior Growth Strategy & Projects Officer wendy.osgodby@west-lindsey.gov.uk
Purpose / Summary:	For Members of the Scrutiny Committee to have opportunity to examine the proposals for 5 – 7 Market Place and to offer comments and recommendations to the Corporate Policy and Resources Committee.

RECOMMENDATION(S):

a) That Members review and consider all options included within the report and offer comments or suggestions to the Corporate Policy and Resources Committee.

IMPLICATIONS

Legal:

Legal Services Lincolnshire have been consulted and have advised that upon completion of the works that 4 leases would require drafting, 3 for the flats and 1 for the commercial unit. Legal services would draft the leases and carry out the conveyancing works associated for the sales of the flats.

Planning permission would be required for the finalised proposals relating to change of use from category B1 to a mixture of A2 and C3. The process is envisaged to take 8 weeks as a standard application.

Building control will be required to approve the final layouts and the ongoing works throughout the construction process.

Fees associated with all regulatory aspects of the project have been included within the professional and legal fees and/or the design and statutory approvals fees.

Financial : FIN/114/20

Budget approval is required for capital expenditure totalling £538,500 to support the proposed scheme.

£376,500 of costs will be funded from Capital Receipts with the remaining £162,000 to be funded by grants, subject to the appropriate applications being completed and successfully awarded from WLDC for the following schemes:

£75,000 (Living Over the Shop)

£15,000 (Gainsborough Shop Fronts)

£72,000 (Townscape Heritage)

It is proposed that once completed, the three flats will be sold to generate capital receipts for future capital investment. A valuation report written by Bruton Knowles in September 2019 valued the three flats at a total of £255,000.

There is a risk that the flats may not sell and therefore, the option to rent the flats has been explored. Bruton Knowles estimated annual rental income for the three properties at circa £6,200 before taking into account void periods, inflation and net present value.

A third option has also been considered to sell both the flats and the commercial unit.

Ongoing revenue savings for utilities, insurance and maintenance costs have been factored in based on 2020/21 budgets and the current RPI to calculate payback periods of each option.

After calculating net present value of future cash flows, the payback period for the recommended option 1 is 25 years. Options 2 and 3 do not achieve a payback period within the next 50 years.

It is noted that should contingencies not be fully required that the payback period will decrease and a return on the investment will be seen earlier. Similarly there is a potential for increased rental income from the commercial unit as a result of other regeneration schemes planned for the town centre.

£10,000 of professional fees associated with selling and renting the units is recommended to be funded from existing revenue budgets.

Staffing : HR104-10-19 no staffing implications

This project is being led by the Senior Growth Strategy and Projects Officer and supported by the wider Council staff within Property Services, Finance and Procurement.

Legal advice is being provided as required via Lincolnshire Legal Services. Commercial expertise is being provided as required by Bruton Knowles. No additional staffing resources are required at this stage.

Equality and Diversity including Human Rights :

The newly created ground floor commercial unit will be designed with a level access and will integrate an accessible WC into the ground floor to enable use for all.

The flats, because of their very nature, will not be accessible to all due to the stairs and the inability to make the designs work whilst integrating both stairs and a lift. This is not unusual in this type of building.

Data Protection Implications :**Climate Related Risks and Opportunities :**

The renovation of 5-7 Market Place will incorporate energy efficient LED lighting and energy efficient heating systems. It will not be possible to increase building U values and the like due to its nature however improvements carried out will improve the overall energy rating of the building.

Section 17 Crime and Disorder Considerations :**Health Implications:****Title and Location of any Background Papers used in the preparation of this report:**

5-7 Market Place Full project Documentation
5-7 Heritage Statement
5-7 Market Place Cashflow
5-7 Market Place Valuation Report

Risk Assessment :

If this building is not renovated it will fall into further disrepair, this will cause harm to the historic Market Place and entrance to the historic town centre

It is acknowledged that the project is relatively high risk in terms of both viability and financial outlook due to the nature of it being a renovation project and therefore many unknowns have to be considered. The overall project budget includes a £68,500 client owned risk register.

If the residential properties fail to sell on the open market then they will be rented.

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

☐

No

☐

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

☐

No

☐

1 Introduction

- 1.1 5-7 Market Place was purchased by WLDC in 2013 with a view to carry out alterations required to either sell, convert to flats, convert to a training centre or sell on in the current condition with the aim of making a commercial return.
- 1.2 To date there has been various levels of interest / offers made on the building, however due to the level of structural works required, layout of the building and conservation challenges; none of the interest has resulted in a sale. As a result the building remains empty and is slowly deteriorating.
- 1.3 The building is situated within a Conservation Area and has listed status. There are a variety of regeneration options available for the building however the procurement of a Heritage Architect will enable a realistic solution to be provided. This solution will then inform the final solution for the building.
- 1.4 The refurbishment of this building was included in a successful funding bid to The Heritage Lottery Fund for building restoration. In addition it provides a demonstration of the Council's commitment to heritage-led regeneration as outlined in the Heritage Masterplan 2017. This project will form a crucial component of a major programme of economic regeneration, helping to secure the 'historic heart' of Gainsborough at the centre of the town's future.
- 1.5 It is important to emphasise this project relates to the future of the building and does **not** cover issues regarding previous expenditure and the purchase of the building. Please refer to the Stage 4 paper relating to 5-7 Market Place.

2 Background

- 2.1 In 2016, building works commenced which had been informed by a structural report. During the period of works it was found that the frontage of the building was pulling away forcing the contractor to abandon works and the contract be settled. At that time design proposals were obtained to tie the front elevation back to the main building however a decision was made not to carry out any further works due to spiralling costs and to test the market for either rental or sale.
- 2.2 The property has received interest from various potential tenants and purchasers. Unfortunately all interest has been withdrawn due to the extensive structural costs and conversion limitations due to its listed building status. The property has fallen further into disrepair and it will not be developed without this intervention.

- 2.3 In the last financial year the property costs £4,773 to maintain plus any urgent repair works on an ad hoc basis going forward, however the longer it is left in its existing state the further the costs will increase. There is also the ongoing risk of theft and vandalism.
- 2.4 It should be noted that the structural repairs to tie back the front elevation will be required under any circumstances at a cost of £160,000 (approx.) this is to make the building safe.
- 2.5 The timing of this project is crucial, as it will be undertaken in conjunction with a transformational programme of economic regeneration within Gainsborough town centre.
- Including:
- Market Street Renewal Limited
 - New Hotel / restaurant
 - Townscape Heritage Delivery phase
 - Mayflower trail
 - Wayfinding strategy
 - New Cinema in the old Lindsey Centre
- 2.6 Development of this building will strengthen the success of the above projects and complement the Council's commitment to heritage-led regeneration as outlined in the Heritage Masterplan 2017
- 2.7 Improvement proposals for the building are through a mixture of building works required for structural and maintenance purposes in addition to costs associated with conversion into flats and refurb of the ground floor premises. There will also be works required to the shop front to bring this up to an acceptable and attractive standard suitable for the historic market place located in the Gainsborough Town Centre Conservation Area.

3. The proposal

- 3.1 The property has been on the market for three years at a value of £175,000 however a sale has not yet been secured. Numerous property investors have visited the property and made offers, none have come to fruition due to the level of structural works required, layout of the building and challenges of its listed building status.
- 3.2 As the property falls further into disrepair the costs for the building works are growing in addition to the empty commercial unit being contrary to the town centre regeneration strategy. It is vital for the regeneration of the Market Place that the property is renovated as soon as possible and brought back into use.
- 3.3 It has become evident through the interest received in the property thus far that conversion into six flats is the preferred option (by investors not WLDC) to increase commercial viability ,however this option is not

possible due to the listed building status and the protection of the open plan internal spaces. As a result; it is unlikely a private investor will be able to make the development commercially viable.

- 3.4 A range of delivery options have been considered (see Full Project Documentation) including; conversion by WLDC, transfer into a joint venture company and putting the property up for auction. The recommended option is conversion by WLDC into three flats and a commercial unit.
- 3.5 Due to the specialist nature of this scheme it is proposed the refurbishment is procured using a framework agreement, this will allow the opportunity to work closely with the selected specialist contractor to share aspirations and gain clear projects outcomes.
- 3.6 The procurement is split into two sections (pre-construction and construction), allowing for a greater understanding of any project costs and risks before entering into a full construction agreement. For committing to the £40k pre-con fee (which includes £25k worth of external design). WLDC will effectively have a fully compliant design, market tested and fixed price.
- 3.7 It should be noted that options have been considered for both the use of a Joint Venture Partner and the auction of the property as it stands. Both options have been ruled out due to the extensive constraints, minimal returns and the direct impact of the Town Heritage Initiative funding. Full analysis of all options has been included within the project documentation appended to this report.

4. Benefits of the proposal

4.1 General Benefits

Demonstration of the council's commitment to heritage-led regeneration which will support the successful funding bid (£1.9m) from National Lottery Heritage Fund.

Improve the visual appearance of the building (new shopfront) and wider Market Place making the area more appealing.

The building will be fully renovated and will complement / support the wider town centre regeneration projects and act as a showcase of building restoration and use of the upper for residential developments in the town centre.

Increase footfall in the historic town centre at different times of the day / (24hr economy in the Market Place).

In alignment with WLDC's Corporate Plan, Economic Growth Strategy 2014-2034 and Gainsborough Town Centre Heritage Masterplan.

The renovation works will be completed to a high standard.

Works will be completed within an agreed timeframe.

Timeframes, design, specification etc. can be aligned with the wider town centre Regeneration Strategy.

Development of high quality unique dwellings in the town centre.

Ground floor commercial premises brought back into use.

Provide high quality commercial premise in prime town centre location.

Provides new business opportunity within the Market Place widening the existing town centre offer.

5 Constraints of the proposal

5.1 General Constraints

Design solutions may not be as expected due to heritage constraints making flats and commercial unit less appealing than hoped.

5.2 Financial Constraints

Project is high risk due to refurbishment elements therefore contingency amounts can only be assumed.

Listed building constraints may mean the project is not financially viable, this will be confirmed following full construction drawings and listed building consent.

If a tenant can't be found for the commercial unit the payback will not be achieved.

Sales of the flats do not achieve the required sale value damaging the profit and lengthening the payback period.

Sale of the flats does not occur. If the flats remain unsold we will look at the option to rent out the flats to cover the expenditure.

6.0 Project Dependencies

- 6.1 Following a successful funding bid to the National Lottery Heritage Fund, it is the vision that 5 – 7 Market place will be used as an exemplar project to demonstrate our ability to deliver high quality historic building renovation projects that demonstrate to the residents of West Lindsey we are commitment to the redevelopment and of that area.

7 Recommendation

- 7.1 It is hereby **RECOMMEDED** that

Members review and consider all options included within the report and offer comments or suggestions to the Corporate Policy and Resources Committee.

7.2 The recommendation for the Corporate Policy and Resources Committee is detailed below.

7.2.2 It is recommended that

Members agree to approve the Capital Budget of £538,500 expenditure to obtain a finalised design, statutory approvals and carry out the associated construction works to convert the current 5-7 Market Place into three flats and a ground floor commercial unit with a view to sell the flats and retain the commercial unit as an ongoing rental stream. This scheme to be funded from Capital Receipts net of any grant awards received.



5-7 Market Place Gainsborough

Heritage Statement

August 2018

Contacts



WLDC
Guildhall
Marshall's Yard
Gainsborough
DN21 2NA

+44(0)1427 676 676
customer.services@west-lindsey.gov.uk

Lathams

ARCHITECTURE + URBANISM

Lathams
Knight & Whitehall House
4 Carlton Street
Nottingham
NG1 1NN

+44(0)115 8280 422
enquiries@lathamarchitects.co.uk



RIBA 

THE ACADEMY
OF URBANISM



This document has been prepared by: Lathams | **Job no:** 7327 | **Date:** August 2018
Status: Draft | **Rev:** B

All rights reserved. No part of this document may be reproduced in any form without the prior written permission from the author. © Lathams. This document and the material contained in it is the property of Lathams and is given to you on the understanding that such material and the ideas, concepts and proposals expressed in it are the intellectual property of Lathams and protected by copyright. It is understood that you may not use this material or any part of it for any reason other than the evaluation of the document unless we have entered into a further agreement for its use. The document is provided to you in confidence, on the understanding it is not disclosed to anyone other than those of your employees who need to evaluate it.

Ordnance Survey data © Crown Copyright. All rights reserved. Lathams licence number 100006736. 2017.

Photographic images used throughout this document have been provided by the author or acquired from open sources. Where copyright material has been used all reasonable effort has been employed to acknowledge ownership.

Contents

1.0	Introduction	5
1.1	Overview	
1.2	Method	
1.3	Legislative Background	
1.3	National Policy Background	
1.4	Central Lincolnshire Local Plan (April 2017)	
1.5	Definitions	
2.0	Understanding the Site	9
2.1	Location	
2.2	Statutory Designations	
2.3	Historical Overview	
2.4	Architectural Overview	
2.5	Planning Record	
2.6	Building Control Record	
2.7	Chronology in Brief	
3.0	Statement of Significance	16
3.1	Significance	
3.2	Elements that contribute to the significance	
3.3	Potential for change & adaptation	
3.4	Potential for Conversion	
3.5	Conservation Policies	
4.0	Conclusion	22



Sketch of Market Place (date unknown)

Introduction

1.1 Overview

West Lindsey District Council (WLDC) are the owners of 5-7 Market Place, Gainsborough. WLDC wish to see the building, which is currently vacant, brought back to full use as part of a wider programme of town centre renewal.

In order to establish how the building might be adapted for viable and market facing use it is recognised that the heritage significance of the building must be established. The understanding of the location of heritage significance within the building must inform any future development proposals which might impact upon its fabric and interior spaces.

Lathams have been commissioned by WLDC to carry out a rapid heritage assessment of 5-7 Market Place.

1.2 Method

The method for the heritage assessment is based upon the guidance set out within Understanding Historic Buildings, A Guide to Good Recording Practice (Historic England, May 2016).

The heritage assessment has been informed by the following:

- Room by room inspection of the building interior and associated exterior spaces (yard and passageway) with the WLDC Conservation Officer 8 August 2018
- Photographic survey of building 8 August 2018
- Archival search Lincolnshire County Archive 28 August 2018

- Gainsborough Local Studies Library 8 August 2018
- Planning Record search (by WLDC)
- Building Control Record search (by WLDC)

1.3 Legislative Background

Planning matters in England are controlled and regulated by law through Acts of Parliament.

Development proposals for the application site will need to be considered in light of:

The Planning (Listed Buildings and Conservation Areas) Act 1990, which sets out the statutory requirements relating to the protection of listed buildings and conservation areas and their settings; the Ancient Monuments and Archaeological Areas Act 1979, which sets out the framework for the designation and management of Scheduled Monuments and other archaeological remains) and the Historic Buildings and Ancient Monuments Act 1953, which provides the Statutory basis for the compilation of a Register of Historic Parks and Gardens.

The following sections of the Planning (Listing Buildings and Conservation Areas) Act 1990 are relevant to any future proposals London Mill:

Section 66 (1) states that local planning authority considering development proposals which affect a listed building or its setting shall; "have special regard to the desirability of preserving the building or its setting or any features of special architectural or historic interest which it possesses".

Section 72(1) states that for development proposals within Conservation Areas; "special attention shall be paid to the desirability of preserving or enhancing the character and appearance of that area".

1.3 National Policy Background

Section 16 of the NPPF (July 2018) Conserving and Protecting the Historic Environment set out policies which are relevant to any future works which may take place at 5-7 Market Place. Any future applicant must consider the requirements of the NPPF and Section 16 in full however paragraphs of particular note are as follows:

Paragraph 192. In determining applications, local planning authorities should take account of:

- a) the desirability of sustaining and enhancing the significance of heritage assets and putting them to viable uses consistent with their conservation;
- b) the positive contribution that conservation of heritage assets can make to sustainable communities including their economic vitality; and
- c) the desirability of new development making a positive contribution to local character and distinctiveness.

Paragraph 193. When considering the impact of a proposed development on the significance of a designated heritage asset, great weight should be given to the asset's conservation (and the more important the asset, the greater the weight should be). This is irrespective of whether any potential harm amounts to substantial harm, total loss or less than substantial harm to its significance.

Paragraph 194. Any harm to, or loss

of, the significance of a designated heritage asset (from its alteration or destruction, or from development within its setting), should require clear and convincing justification. Substantial harm to or loss of: 56 a) grade II listed buildings, or grade II registered parks or gardens, should be exceptional; b) assets of the highest significance, notably scheduled monuments, protected wreck sites, registered battlefields, grade I and II* listed buildings, grade I and II* registered parks and gardens, and World Heritage Sites, should be wholly exceptional.

1.4 Central Lincolnshire Local Plan (April 2017)

Policy LP25: The Historic Environment as set out within the Central Lincolnshire Local Plan states:

Development proposals should protect, conserve and seek opportunities to enhance the historic environment of Central Lincolnshire.

In instances where a development proposal would affect the significance of a heritage asset (whether designated or non-designated), including any contribution made by its setting, the applicant will be required to undertake the following, in a manner proportionate to the asset's significance:

- a. Describe and assess the significance of the asset, including its setting, to determine its architectural, historical or archaeological interest; and
- b. identify the impact of the proposed works on the significance and special character of the asset; and
- c. provide clear justification for the works, especially if these would

harm the significance of the asset or its setting, so that the harm can be weighed against public benefits.

Unless it is explicitly demonstrated that the proposal meets the tests set out in the NPPF, permission will only be granted for development affecting designated or non-designated heritage assets where the impact of the proposal(s) does not harm the significance of the asset and/or its setting.

Development proposals will be supported where they:

d. Protect the significance of designated heritage assets (including their setting) by protecting and enhancing architectural and historic character, historical associations, landscape and townscape features and through consideration of scale, design, materials, siting, layout, mass, use, and views and vistas both from and towards the asset;

e. Promote opportunities to better reveal significance of heritage assets, where possible;

f. Take into account the desirability of sustaining and enhancing non-designated heritage assets and their setting.

The change of use of heritage assets will be supported provided:

g. the proposed use is considered to be the optimum viable use, and is compatible with the fabric, interior, character, appearance and setting of the heritage asset;

h. such a change of use will demonstrably assist in the maintenance or enhancement of the heritage asset; and

i. features essential to the special interest of the individual heritage asset are not lost or altered to facilitate the change of use

Listed Buildings

Permission to change the use of a Listed Building or to alter or extend such a building will be granted where the local planning authority is satisfied that the proposal is in the interest of the building's preservation and does not involve activities or alterations prejudicial to the special architectural or historic interest of the Listed Building or its setting.

Permission that results in substantial harm to or loss of a Listed Building will only be granted in exceptional or, for grade I and II* Listed Buildings, wholly exceptional circumstances.

Development proposals that affect the setting of a Listed Building will be supported where they preserve or better reveal the significance of the Listed Building.

Conservation Areas

Development within, affecting the setting of, or affecting views into or out of, a Conservation Area should preserve (and enhance or reinforce it, as appropriate) features that contribute positively to the area's character, appearance and setting. Proposals should:

j. Retain buildings/groups of buildings, existing street patterns, historic building lines and ground surfaces;

k. Retain architectural details that contribute to the character and appearance of the area;

l. Where relevant and practical, remove features which are incompatible with the Conservation Area;

m. Retain and reinforce local distinctiveness with reference to

height, massing, scale, form, materials and lot widths of the existing built environment;

n. Assess, and mitigate against, any negative impact the proposal might have on the townscape, roofscape, skyline and landscape;

o. Aim to protect trees, or where losses are proposed, demonstrate how such losses are appropriately mitigated against.

1.5 Definitions

A heritage asset is defined within the NPPF (July 2018) as follows:

A building, monument, site, place area or landscape identified as having a degree of significance meriting consideration in planning decisions, because of its heritage interest. It includes designated heritage assets and assets identified by the local planning authority (including local listing).

Significance is defined within the NPPF as:

The value of a heritage asset to this and future generations because of its heritage interest. The interest may be archaeological, architectural, artistic or historic. Significance derives not only from a heritage asset's physical presence, but also from its setting. For World Heritage Sites, the cultural value described within each site's Statement of Outstanding Universal Value forms part of its significance.



5-7 Market Place with the former NatWest Bank to the left (North)

2.0 Understanding the Site

2.1 Location



Site Location at Grid Reference: SK 81408 89922

5-7 Market Place is located on the eastern side of the Market Place, Gainsborough. This is the principle historic space located within the town centre and must be considered a heritage asset in its own right.



2.2 Statutory Designations Listed Building

The building is a designated heritage asset listed as Grade II on the National Heritage List for England. The building falls within the Gainsborough Town Centre Conservation Area and forms part of the setting for a number of other listed buildings and non-designated heritage assets located within the Market Place.

The list description of 5-7 Market Place is as follows:

Late C18th or early C19th. 4 storeys in red brick with Welsh slate roof. Moulded cornice and bands at cills. 3 windows on 3 floors, centre blocked, stone keystones, hung sashes with glazing bars, except to 1 window to first floor to left. Modern shop front. Brick stacks at gable ends.

Conservation Area

5-7 Market Place is located within the Gainsborough Town Centre Conservation Area. The building is visible from a number of other listed buildings within the Market Place (and the Conservation Area) and any external change to the fabric of 5-7 may impact upon the settings of these assets.

2.3 Historical Overview

The 1853 Ibbetson Map of Gainsborough shows 5-7 Market Place as one building with no plot subdivision. The area to the east (which also faces the internal court and which now forms part of the former NatWest Bank) appears at this time to form a rear extension to 5-7 Market Place. The 1851 map shows the covered passageway from the Market Place to the court on the current alignment and also shows a flight of external stairs located to the rear of the building

leading to a landing. There is evidence in the patched brickwork on the rear elevation of a lost first floor entrance door which would have accessed the landing and stair.

The 1886 OS shows 5-7 divided into two units separated by a cranked east west boundary line. This line traces the footprint of stair 3 (i.e. the southern stair) and it must be assumed that this was introduced at the point when the sub-division took place. It is likely, given the evidence of the lost ground to first stair on the northern internal boundary wall, that stair 2 (i.e. the northern stair) was also introduced at this time. The detailing of both stair cases is identical, although crude later repairs suggest some difference.

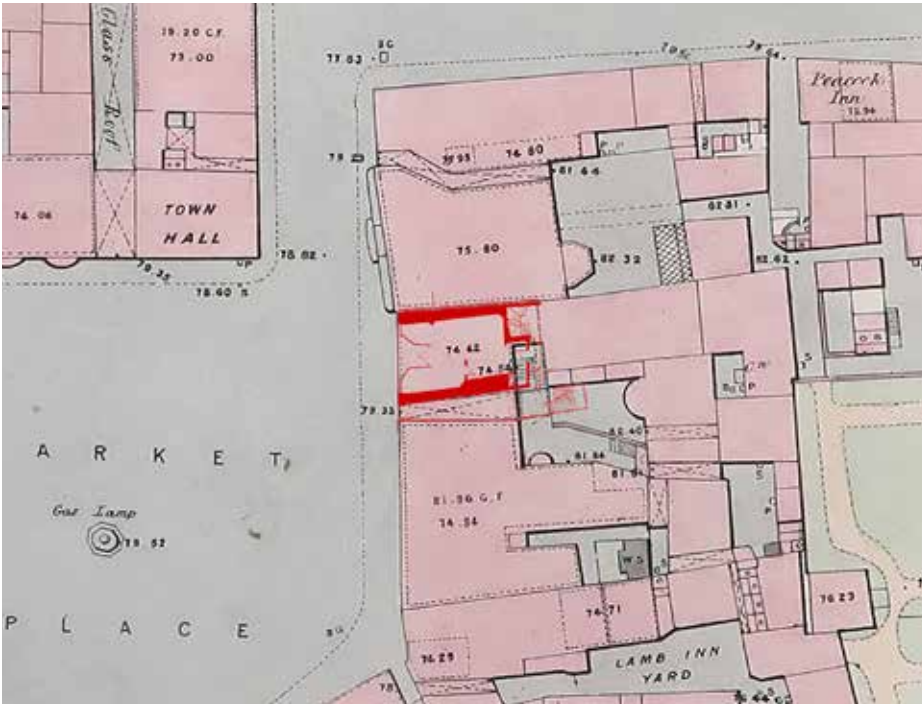
The 1885 Kellys Directory provides entries for 5-7 Market Place:

- William Mason, private resident living at 7 Market Place
- William Mason, District Manager – Retford & Gainsborough Times, 7 Market Place
- Hannah Dowman, Ladies underwear warehouse, 5 Market Place

The separation of residential from commercial uses along with the separation of the two businesses would explain the need for multiple stair cases.

Photographs from the late C19th up until the inter-war period show that the ground floor of 5-7 remained as two separate retail units for some time after the assumed reintegration of the upper floors.

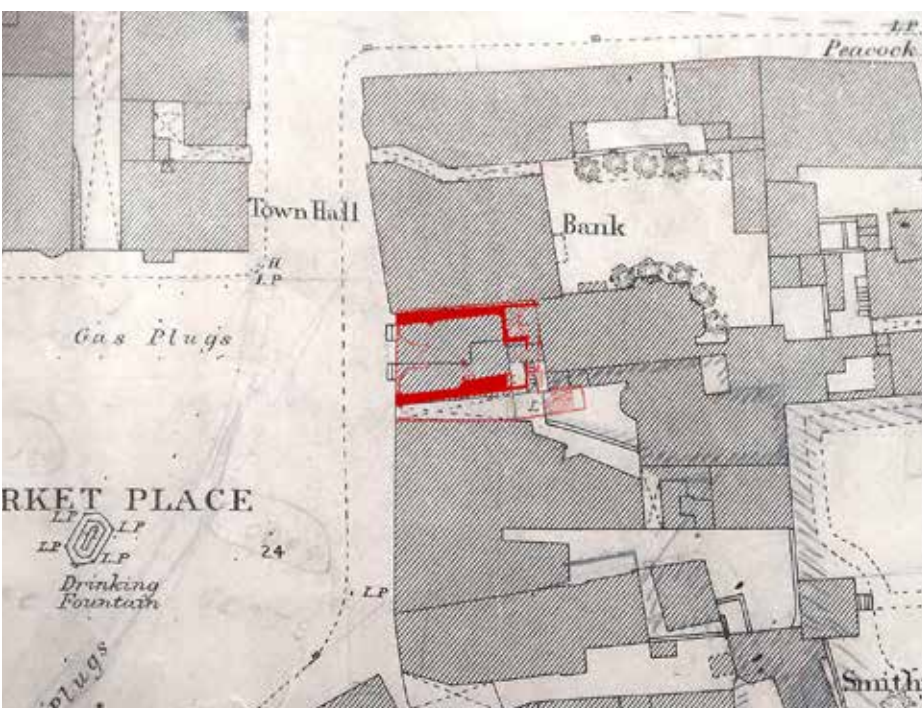
The building continued its association with newspapers until the late C20th.



1853 Historic Map Overlayed with Current Plan



1853 Historic Map



1886 OS Map Overlayed with Current Plan



1886 OS Map



2.4 Architectural Overview

Since the list description was produced the building has undergone some works to both the interior and the exterior. All the windows within the Market Place façade now have glazing bars and there is evidence that some stonework to cills, keystone and string courses has been replaced. The rear elevation has been crudely repointed. The ground floor interior appears to have had some recent building work carried out.

The first, second and third floor each have a principal room located to the west overlooking the Market Place each with three vertical sash windows. At first and second floor these rooms have had new down stand beams added which harm their character. At third floor a suspended false ceiling conceals the original. Window shutters survive within the principal rooms at first and second floor but little else of heritage value survives (no fire places, original moldings etc).

It is likely that the principal rooms were sub-divided during the mid to late C19th when the building was separated into two properties and that it was during this period that vertical circulation within the building was changed to allow private access to the separate ownerships/occupiers. The lack of detailing on the stair cases and their uniformity of design suggest that these were installed in a hurry, for utility and at the same time.

When the building was returned to a single property the multiple staircases were left with their original function lost.

2.5 Planning Record

The WLDC search of the planning history for 5-7 Market Place provided no evidence of any applications being made.

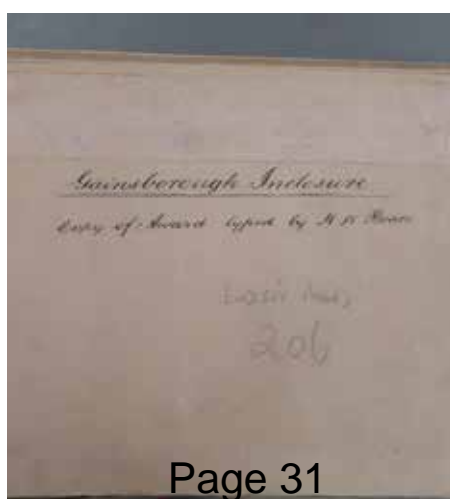
2.6 Building Control Record

The WLDC search of building control history for 5-7 Market Place provided details of the following works:

1997- Application registered for the insertion of beams to the second and third floors and the insertion of a new fire exit.

2016 – Application registered (from WLDC) for the; replacement of roof-lights and the replacement of WC windows at first floor level.

Clockwise from top:
 1853 map of the Market Place,
 Dating of the 1886 map,
 Larger view of 1886 map,
 Cover of the Tithe Award,
 Cover of the 1853 maps.



2.7 Chronology in Brief

- 5-7 constructed early C19th. Assumed to be single townhouse.
- Ground floor separated for retail use from upper floors and rear first floor access introduced. Ground floor internal access from 5-7 through to rear 'warehouse' extension. Loss of original staircase.
- 5 and 7 Market Place separated in the 1870's to 1880's into two ownerships with commercial and residential sub-division for William Mason (see above) resulting the introduction of separate staircases and loss of rear first floor access.
- By 1886 5, 7 and the rear extension are all in separate ownerships.
- From the 1920's up until the 1970's the rear extension is shown as being part 5 Market Place (the northern plot).
- It's not until the late C20th that 5-7 become one property again with all internal sub-division removed but with multiple staircases left in place.



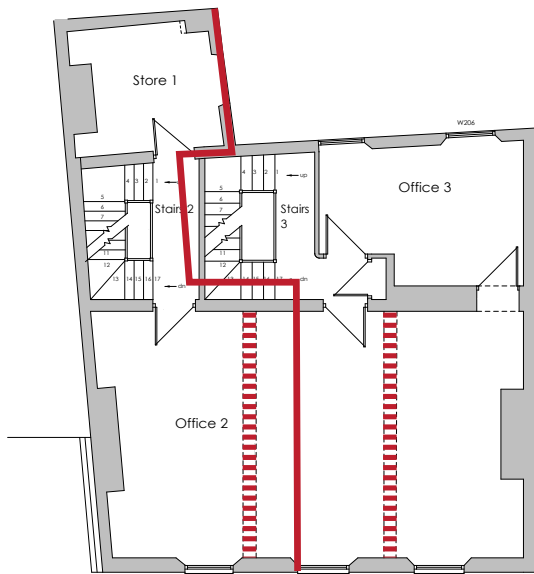
View of 5-7 Market Place from Silver Street

(late C19th)

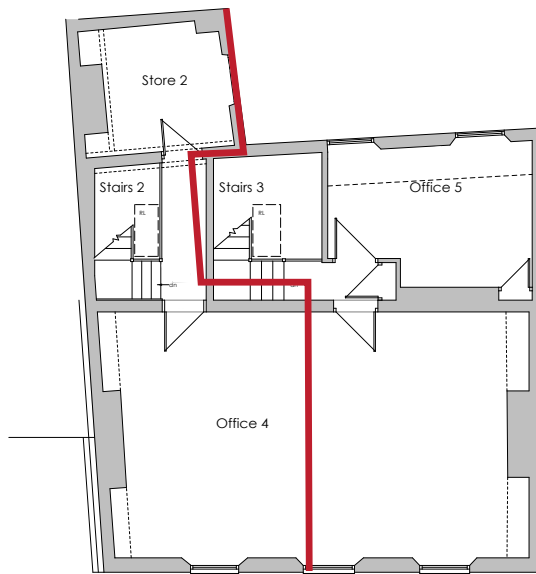


Tobacconist and 5-7 with sub-division evident

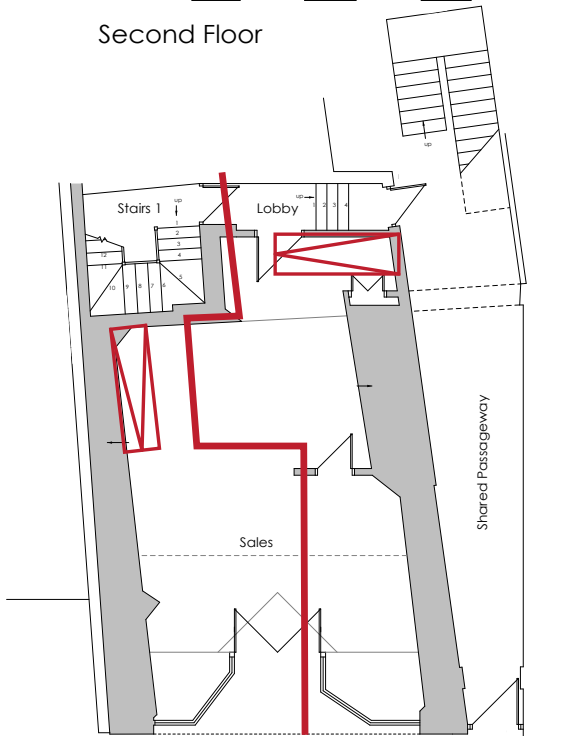
(1919)



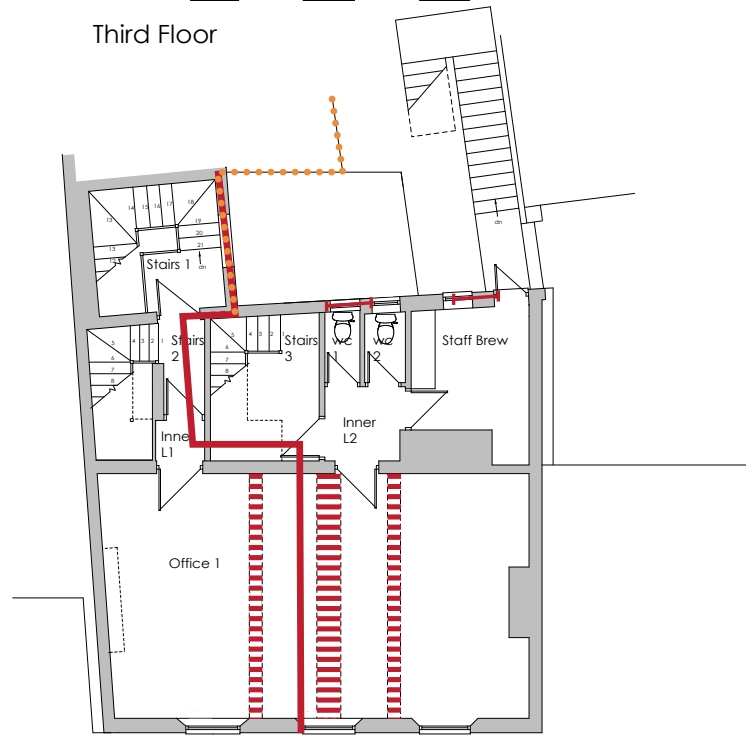
Second Floor



Third Floor



Ground Floor



First Floor



Connection of adjacent lots, >1853. 19- 1921/39
Approximate line of 1880s sub-division
Location of lost stairs
Location of lost windows
Beams added in 1997



3.0 Statement of Significance

3.1 Significance

5-7 Market Place is the only listed building located on the eastern side of the Market Place. The building makes an important contribution to the townscape quality of the Market Place as a whole and its north-eastern section in particular. The Market Place façade of 5-7 although much altered and repaired is its most significant feature. Its integrity has unfortunately been compromised by the introduction of an inappropriate and crude shop front which appears to date from the 1980's.

Internally no original features survive within the ground floor retail space. The first, second and third floor principal rooms which overlook the Market Place have had their significance reduced by the introduction of late C20th structure, false ceilings (third only) and by the loss of fireplaces, cornices, skirting's etc. The windows (probably not original) and the shutters and shutter boxes are significant. The scale and openness of these rooms appear significant however it is likely that they were sub-divided from the mid C19th to the late C20th.

The rear rooms of the building have seen much alteration. These would always have been secondary spaces. The staircases almost certainly date from the 1880's and are not part of the original house but a curious pragmatic response to sub-division. The staircases are simply detailed and are in themselves of little architectural merit.

3.2 Elements that contribute to the significance





The Market Place façade is the principal element of the building which contributes to significance. It also contributes towards the character of the conservation area and make a positive contribution towards the settings of other listed and non-designated heritage assets.

The spatial quality first and second floor principal (west) rooms is significant. However this significance has be compromised by recent structural interventions.

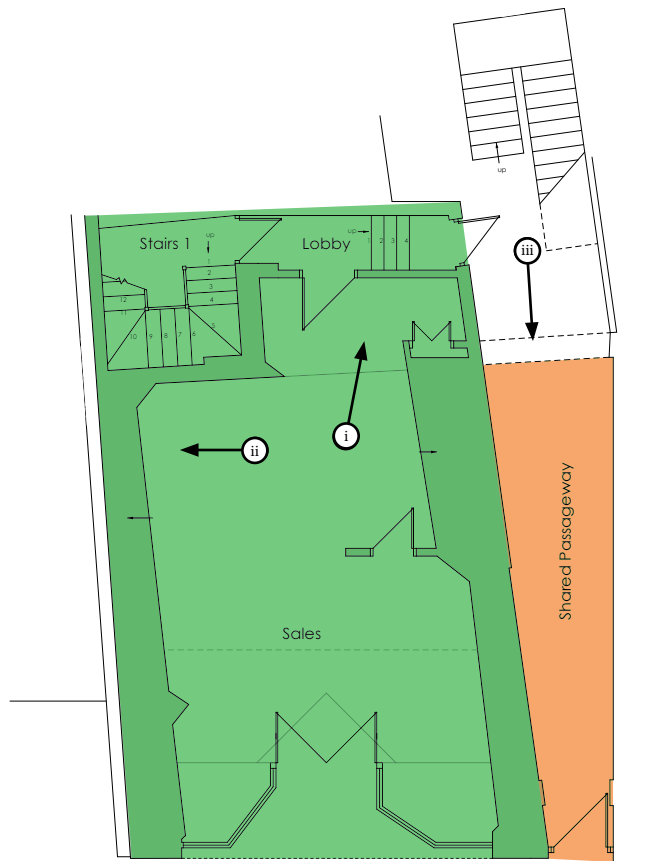
Surviving joinery items in the form of cupboards, shutters and shutter boxes are significant.

3.3 Potential for change & adaptation

The potential for change or adaptation within the building is defined on the premise of avoidance of impact on significance and the physical opportunity presented. Adaptability will be graded on a 'traffic light principle' of:

	Original room of primary quality with little or no scope for change.
	Substantially original room with some adaptations and scope for betterment.
	Room with adaptations, scope for betterment and possible further adaptation to secure new use.
	Tertiary room with adaptations and with scope for further adaptations.

Ground Floor. Heritage Significance



(i) Rear wall

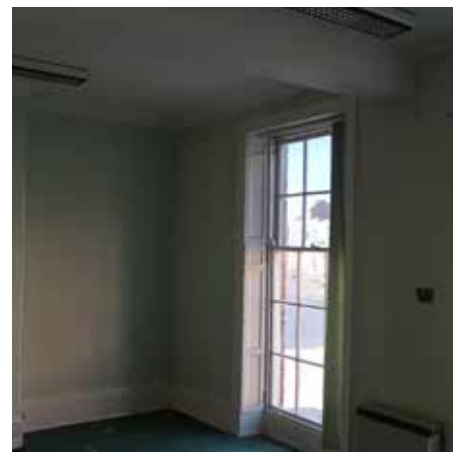


(ii) Evidence of lost stair (North)



(iii) Shared passageway

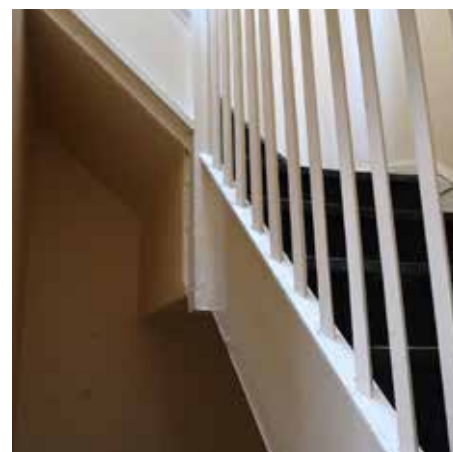
First Floor. Heritage Significance



(iv) Window to Market Place

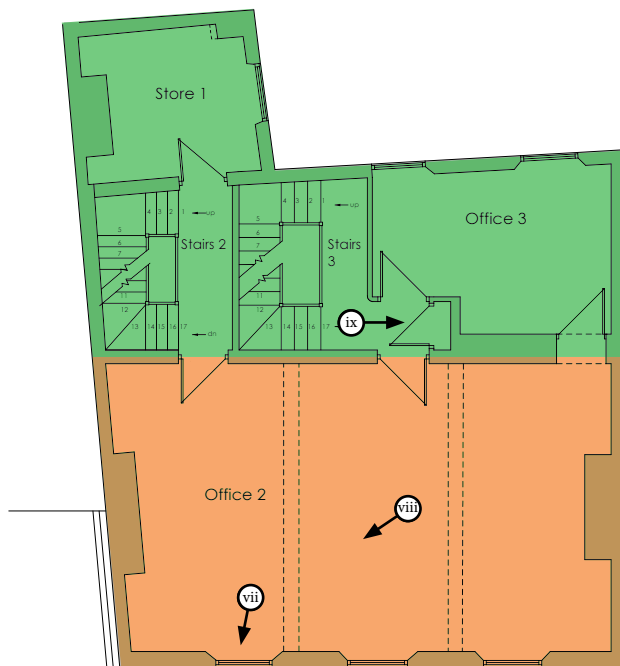


(v) Chimney breast



(vi) Stair 1

Second Floor. Heritage Significance



(vii) Window to Market Place

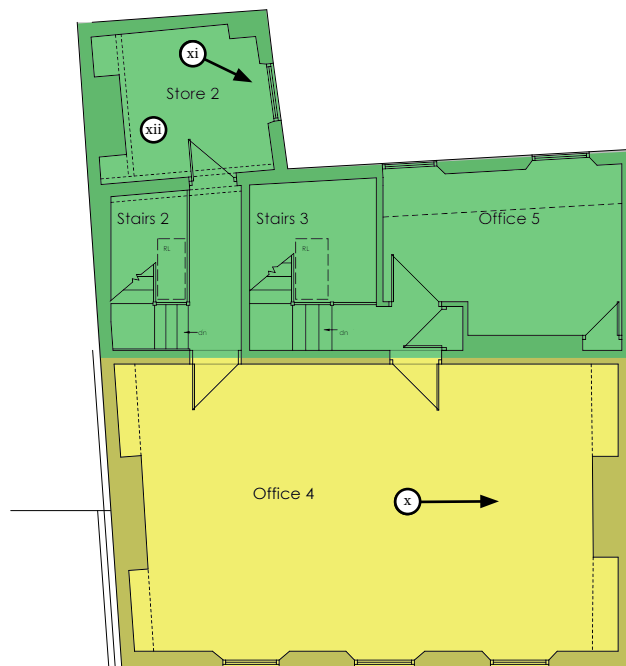


(viii) General view of principle room



(ix) Cupboard on landing

Third Floor. Heritage Significance



(x) Southern wall



(xi) Store



(xii) New roof timber/ felt

3.4 Potential for Conversion

The default philosophy of conservation is that where existing fabric remains then ideally it should remain and be restored or repaired depending on its significance. Where fabric has been lost or is absent then replacement should be appropriate to use and form, not necessarily a copy but of 'good' design.

Each element should be subject to a detailed feasibility to show the best fit of any new use and the maximum retention of existing fabric, such retention should ideally not be to the detriment of the proposed use in terms of practicality or compliance with current standards.

3.5 Conservation Policies

The conservation policies are an attempt to address the key defining issues and establish criteria for addressing the any future development of the site. The following bullet point policies, whilst not binding, constitute a series of observations which should affect the approach to repair, retention, demolition or mitigation of impact upon the identified heritage significance of the site; any variation from these policies in a scheme of proposed development should be supported by appropriate statements of justification.

- The primary conservation concern is to retain the listed building in a form where the development of the site is conserved and its setting enhanced.
- To retain as much as practicable of the existing fabric without compromising future use.
- To recognise a preference for revealing the character of the site rather than simply retaining all fabric on the site.
- Where fabric is lost to replace it with appropriately designed new work.
- New development should have a contextual relevance to the site and the setting of the existing fabric, such that it can be seen as a good 'fit' rather than simply contemporary. It should have regard for mass and scale of existing buildings.
- Sustainability should be a key driver in the design of any development taking into account of new technologies, exploitation of thermal mass, low carbon footprints and low embodied energy.
- To identify a sustainable use and, if necessary, clear phasing to avoid piecemeal development.
- Prioritise those areas of the building most at risk for the early stages of work.



Evidence of replaced lintels



Evidence of previous openings



Evidence of past staircase (Ground Floor)

4.0 Conclusion

Future works to 5-7 Market Place should ensure that the principal features of the building which contribute to its heritage significance and which contribute towards the special character of the conservation area are enhanced. The harmful 1980's shop front should be removed and replaced with an appropriately designed shop front.

Ideally the integrity of the principal rooms at first, second and third floor should be protected but it is recognised that these rooms were sub-divided previously for what is assumed to be over a century. Any sub-division required to allow re-use to be brought forward must be minimal and must respect the position of windows.

The rear staircases are not original. It is a feature of the buildings history that as use and ownership have changed over time so has the vertical access arrangements. The staircases could be considered for loss should this allow the main elements of the building which contribute towards its heritage significance to be protected and restored.

The current vertical access arrangement is clearly inefficient with three stair wells at first floor level and two at second and third occupying a disproportionate amount of floor space. In addition the dimensions and pitch of the stairs are questionable in terms of current accessibility and means of escape requirements. Retaining the stairs in their current configuration will almost certainly ensure that a viable and sustainable scheme, which can be delivered by the market whilst protecting and enhancing the key features of heritage significance, will prove undeliverable.





WLDC
Guildhall
Marshall's Yard
Gainsborough
DN21 2NA

+44(0)1427 676 676
customer.services@west-lindsey.gov.uk

Lathams
ARCHITECTURE + URBANISM

Lathams
Knight & Whitehall House
4 Carlton Street
Nottingham
NG1 1NN

+44(0)115 8280 422
enquiries@lathamarchitects.co.uk

Option 1A - Sell Flats and Rent Commercial Unit

	2019/20		2020/21			
	Q3	Q4	Q1	Q2	Q3	Q4
Capital Expenditure						
Pre-Construction Charge		40,660				
Construction			214,670	214,670		
Client owned risk register			34,250	34,250		
Total Capital Expenditure		40,660	248,920	248,920		
External Grants						
Living Over the Shop (LOTS)				(75,000)		
Gainsborough Shop Front				(15,000)		
Townscape Heritage				(72,000)		
Total External Grants				(162,000)		
Capital Receipts						
Sale of flats (£85,000 per flat)						
Total Capital Receipts						
Rental Income						
Ground Floor (2.4% RPI)						
NPV of Rental Income						
Less 10% void period						
NPV of Total Rental Income						
Revenue Costs/Savings						
Legal and Professional Fees (for Sales and lettings)						
Utilities (2.4% RPI)						
Insurance (2.4% RPI)						
Maintenance and Repairs (2.4% RPI)						
NPV of Revenue Cost/Savings						

Total	- 40,660	248,920	86,920	-	-
Running Balance	40,660	289,580	376,500	376,500	376,500

Assumed all units sold and rented April 2021

Assumed 2.4% annual inflation to rental income and revenue costs/savings (In line with RPI as at 17/10/2019)

Net present value calculated at 6%

Insurance savings calculated using 2020/21 budget divided by proportion of commercial unit value. (£221pa / (£305k / £255k)

Utilities and Maintenance costs calculated from past 6 years averages

NPV
0.06
6%

(252,418)	(7,196)	(6,982)	(6,773)	(6,571)	(6,375)	(6,185)	(6,001)	(5,822)	(5,649)	(5,480)	(5,317)
124,082	116,886	109,905	103,131	96,560	90,185	83,999	77,998	72,176	66,528	61,047	55,730

-6000	-6180	-6365.4	-6556.36	-6753.05	-6955.64	-7164.31	-7379.24	-7600.62	-7828.64	-8063.5	-8305.4
0	1	2	3	4	5	6	7	8	9	10	11
2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
1.000	0.943	0.890	0.840	0.792	0.747	0.705	0.665	0.627	0.592	0.558	0.527
(6,000)	(5,830)	(5,665)	(5,505)	(5,349)	(5,198)	(5,051)	(4,908)	(4,769)	(4,634)	(4,503)	(4,375)

	13	14	15	16	17	18	19	20	21	22	23	24
	2033/34	2034/35	2035/36	2036/37	2037/38	2038/39	2039/40	2040/41	2041/42	2042/43	2043/44	2044/45
	(7,975)	(8,167)	(8,363)	(8,563)	(8,769)	(8,979)	(9,195)	(9,416)	(9,642)	(9,873)	(10,110)	(10,353)
	(4,251)	(4,131)	(4,014)	(3,901)	(3,790)	(3,683)	(3,579)	(3,477)	(3,379)	(3,283)	(3,190)	(3,100)
	425	413	401	390	379	368	358	348	338	328	319	310
	(3,826)	(3,718)	(3,613)	(3,510)	(3,411)	(3,315)	(3,221)	(3,130)	(3,041)	(2,955)	(2,871)	(2,790)
	(588)	(602)	(616)	(631)	(646)	(661)	(677)	(694)	(710)	(727)	(745)	(763)
	(233)	(239)	(245)	(251)	(257)	(263)	(269)	(276)	(282)	(289)	(296)	(303)
	(1,861)	(1,906)	(1,951)	(1,998)	(2,046)	(2,095)	(2,145)	(2,197)	(2,250)	(2,304)	(2,359)	(2,416)
	(1,333)	(1,288)	(1,244)	(1,202)	(1,161)	(1,121)	(1,083)	(1,046)	(1,011)	(977)	(943)	(911)

(5,159)	(5,005)	(4,856)	(4,712)	(4,572)	(4,436)	(4,304)	(4,176)	(4,052)	(3,932)	(3,815)	(3,701)
50,571	45,565	40,709	35,997	31,425	26,989	22,685	18,509	14,457	10,526	6,711	3,009

-8554.57	-8811.2	-9075.54	-9347.8	-9628.24	-9917.09	-10214.6	-10521	-10836.7	-11161.8	-11496.6	-11841.5
12	13	14	15	16	17	18	19	20	21	22	23
2033/34	2034/35	2035/36	2036/37	2037/38	2038/39	2039/40	2040/41	2041/42	2042/43	2041/43	2042/44
0.497	0.469	0.442	0.417	0.394	0.371	0.350	0.331	0.312	0.294	0.278	0.262
(4,251)	(4,131)	(4,014)	(3,901)	(3,790)	(3,683)	(3,579)	(3,477)	(3,379)	(3,283)	(3,190)	(3,100)

25	26	27	28	29	30	31	32	33	34	35	36
2045/46	2046/47	2047/48	2048/49	2049/50	2050/51	2051/52	2052/53	2053/54	2054/55	2055/56	2056/57
(10,601)	(10,856)	(11,116)	(11,383)	(11,656)	(11,936)	(12,222)	(12,516)	(12,816)	(13,124)	(13,438)	(13,761)
(3,012)	(2,927)	(2,844)	(2,764)	(2,686)	(2,610)	(2,536)	(2,464)	(2,394)	(2,326)	(2,261)	(2,197)
301	293	284	276	269	261	254	246	239	233	226	220
(2,711)	(2,634)	(2,560)	(2,487)	(2,417)	(2,349)	(2,282)	(2,218)	(2,155)	(2,094)	(2,035)	(1,977)
(781)	(800)	(819)	(839)	(859)	(879)	(900)	(922)	(944)	(967)	(990)	(1,014)
(310)	(318)	(325)	(333)	(341)	(349)	(358)	(366)	(375)	(384)	(393)	(403)
(2,474)	(2,533)	(2,594)	(2,656)	(2,720)	(2,785)	(2,852)	(2,920)	(2,990)	(3,062)	(3,136)	(3,211)
(880)	(851)	(822)	(794)	(767)	(741)	(716)	(691)	(668)	(645)	(623)	(602)

(3,592)	(3,485)	(3,381)	(3,281)	(3,184)	(3,089)	(2,998)	(2,909)	(2,823)	(2,739)	(2,658)	(2,579)	
(582)	(4,067)	(7,448)	(10,730)	(13,913)	(17,003)	(20,000)	(22,909)	(25,732)	(28,470)	(31,128)	(33,707)	

-12196.8	-12562.7	-12939.5	-13327.7	-13727.6	-14139.4	-14563.6	-15000.5	-15450.5	-15914	-16391.4	-16883.2	
24	25	26	27	28	29	30	31	32	33	34	35	
2041/44	2042/45	2041/43	2042/44	2041/44	2042/45	2042/45	2041/45	2042/46	2042/46	2041/46	2042/47	
0.247	0.233	0.220	0.207	0.196	0.185	0.174	0.164	0.155	0.146	0.138	0.130	
(3,012)	(2,927)	(2,844)	(2,764)	(2,686)	(2,610)	(2,536)	(2,464)	(2,394)	(2,326)	(2,261)	(2,197)	

(2,503)	(2,428)	(2,357)	(2,287)	(2,219)	(2,153)	(2,090)	(2,028)	(1,968)	(1,910)	(1,853)	(1,798)
(36,210)	(38,638)	(40,995)	(43,281)	(45,501)	(47,654)	(49,744)	(51,772)	(53,739)	(55,649)	(57,502)	(59,301)

-17389.7	-17911.4	-18448.7	-19002.2	-19572.2	-20159.4	-20764.2	-21387.1	-22028.7	-22689.6	-23370.3	-24071.4
36	37	38	39	40	41	42	43	44	45	46	47
2042/47	2041/47	2042/48	2042/47	2041/47	2042/47	2042/47	2041/48	2042/47	2041/47	2042/47	2042/47
0.123	0.116	0.109	0.103	0.097	0.092	0.087	0.082	0.077	0.073	0.069	0.065
(2,134)	(2,074)	(2,015)	(1,958)	(1,903)	(1,849)	(1,797)	(1,746)	(1,696)	(1,648)	(1,602)	(1,556)

49

50

2069/70

2070/71

Page 53

(18,730) (19,180)

(1,512) (1,470)

151

147

(1,361) (1,323)

(1,380) (1,413)

(548)

(561)

(4,370)	(4,475)
---------	---------

(384)

(371)

(1,745)	(1,694)
(61,046)	(62,740)

-24793.5	-25537.3
48	49
2041/48	2042/46
0.061	0.058
(1,512)	(1,470)

Option 1B - Rent Flats and Commercial Unit

	2019/20		2020/21			
	Q3	Q4	Q1	Q2	Q3	Q4
Capital Expenditure						
Pre-Construction Charge		40,660				
Construction			214,670	214,670		
Client owned risk register			34,250	34,250		
Total Capital Expenditure		40,660	248,920	248,920		
External Grants						
Living Over the Shop (LOTS)				(75,000)		
Gainsborough Shop Front				(15,000)		
Townscape Heritage				(72,000)		
Total External Grants				(162,000)		
Rental Income						
Ground Floor (2.4% RPI)						
Flats x 3 (2.4% RPI)						
NPV of total Rental Income						
Less 10% void period						
Revenue Costs/Savings						
Legal and Professional Fees (for Sales and lettings)						
Total Revenue Cost/Savings						
Total	-	40,660	248,920	86,920	-	-
Running Balance		40,660	289,580	376,500	376,500	376,500

Assumed all units rented April 2021

Assumed 2.4% annual inflation to rental income and revenue costs/savings (In line with RPI as at 17/10/2019)
Net present value calculated at 6%
Utilities and Mainenance costs calculated from past 6 years averages

NPV
0.06
6%

(12,200)	(12,493)	(12,793)	(13,100)	(13,414)	(13,736)	(14,066)	(14,403)	(14,749)	(15,103)	(15,465)	(15,837)
0	1	2	3	4	5	6	7	8	9	10	11
2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
1.000	0.943	0.890	0.840	0.792	0.747	0.705	0.665	0.627	0.592	0.558	0.527
(12,200)	(11,786)	(11,385)	(10,999)	(10,625)	(10,264)	(9,916)	(9,579)	(9,254)	(8,939)	(8,636)	(8,342)

	13	14	15	16	17	18	19	20	21	22	23	24
	2033/34	2034/35	2035/36	2036/37	2037/38	2038/39	2039/40	2040/41	2041/42	2042/43	2043/44	2044/45
	(7,975)	(8,167)	(8,363)	(8,563)	(8,769)	(8,979)	(9,195)	(9,416)	(9,642)	(9,873)	(10,110)	(10,353)
	(8,241)	(8,439)	(8,642)	(8,849)	(9,061)	(9,279)	(9,501)	(9,730)	(9,963)	(10,202)	(10,447)	(10,698)
	(8,059)	(7,785)	(7,521)	(7,266)	(7,019)	(6,780)	(6,550)	(6,328)	(6,113)	(5,905)	(5,705)	(5,511)
	806	779	752	727	702	678	655	633	611	591	570	551
	(7,253)	(7,007)	(6,769)	(6,539)	(6,317)	(6,102)	(5,895)	(5,695)	(5,502)	(5,315)	(5,134)	(4,960)
	-	-	-	-	-	-	-	-	-	-	-	-
	(7,253)	(7,007)	(6,769)	(6,539)	(6,317)	(6,102)	(5,895)	(5,695)	(5,502)	(5,315)	(5,134)	(4,960)
	269,514	262,507	255,738	249,199	242,882	236,780	230,885	225,190	219,688	214,374	209,239	204,279

(16,217)	(16,606)	(17,004)	(17,412)	(17,830)	(18,258)	(18,696)	(19,145)	(19,605)	(20,075)	(20,557)	(21,050)
12	13	14	15	16	17	18	19	20	21	22	23
2033/34	2034/35	2035/36	2036/37	2037/38	2038/39	2039/40	2040/41	2041/42	2042/43	2041/43	2042/44
0.497	0.469	0.442	0.417	0.394	0.371	0.350	0.331	0.312	0.294	0.278	0.262
(8,059)	(7,785)	(7,521)	(7,266)	(7,019)	(6,780)	(6,550)	(6,328)	(6,113)	(5,905)	(5,705)	(5,511)

(21,556)	(22,073)	(22,603)	(23,145)	(23,701)	(24,269)	(24,852)	(25,448)	(26,059)	(26,684)	(27,325)	(27,981)
24	25	26	27	28	29	30	31	32	33	34	35
2041/44	2042/45	2041/43	2042/44	2041/44	2042/45	2042/45	2041/45	2042/46	2042/46	2041/46	2042/47
0.247	0.233	0.220	0.207	0.196	0.185	0.174	0.164	0.155	0.146	0.138	0.130
(5,324)	(5,143)	(4,968)	(4,800)	(4,637)	(4,479)	(4,327)	(4,180)	(4,038)	(3,901)	(3,768)	(3,640)

(28,652)	(29,340)	(30,044)	(30,765)	(31,503)	(32,260)	(33,034)	(33,827)	(34,638)	(35,470)	(36,321)	(37,193)
36	37	38	39	40	41	42	43	44	45	46	47
2042/47	2041/47	2042/48	2042/47	2041/47	2042/47	2042/47	2041/48	2042/47	2041/47	2042/47	2042/47
0.123	0.116	0.109	0.103	0.097	0.092	0.087	0.082	0.077	0.073	0.069	0.065
(3,517)	(3,397)	(3,282)	(3,171)	(3,063)	(2,959)	(2,858)	(2,761)	(2,667)	(2,577)	(2,489)	(2,405)

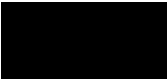
(38,085)	(38,999)
48	49
2041/48	2042/46
0.061	0.058
(2,323)	(2,244)

Option 1C - Sell Flats and Commercial Unit

	2019/20		2020/21			
	Q3	Q4	Q1	Q2	Q3	Q4
Capital Expenditure						
Pre-Construction Charge		40,660				
Construction			214,670	214,670		
Client owned risk register			34,250	34,250		
Total Capital Expenditure		40,660	248,920	248,920		
External Grants						
Living Over the Shop (LOTS)				(75,000)		
Gainsborough Shop Front				(15,000)		
Townscape Heritage				(72,000)		
Total External Grants				(162,000)		
Capital Receipts						
Sale of flats (£85,000 per flat)						
Sale of Commerical Unit						
Total Capital Receipts						
Revenue Costs/Savings						
Legal and Professional Fees (for Sales and lettings)						
Utilities (2.4% RPI)						
Insurance (2.4% RPI)						
Maintenance and Repairs (2.4% RPI)						
NPV of Revenue Cost/Savings						
Total	-	40,660	248,920	86,920	-	-
Running Balance		40,660	289,580	376,500	376,500	376,500

Assumed all units sold April 2021

Assumed 2.4% annual inflation to rental income and revenue costs/savings (In line with RPI as at 17/10/2019)
Net present value calculated at 6%
Insurance savings calculated using 2020/21 budget
Utilities and Mainenance costs calculated from past 6 years averages


NPV
0.06

0	1	2	3	4	5	6	7	8	9	10	11
2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
1.000	0.943	0.890	0.840	0.792	0.747	0.705	0.665	0.627	0.592	0.558	0.527

	13	14	15	16	17	18	19	20	21	22	23	24
	2033/34	2034/35	2035/36	2036/37	2037/38	2038/39	2039/40	2040/41	2041/42	2042/43	2043/44	2044/45
	(588)	(602)	(616)	(631)	(646)	(661)	(677)	(694)	(710)	(727)	(745)	(763)
	(279)	(286)	(293)	(300)	(307)	(314)	(322)	(330)	(337)	(346)	(354)	(362)
	(1,861)	(1,906)	(1,951)	(1,998)	(2,046)	(2,095)	(2,145)	(2,197)	(2,250)	(2,304)	(2,359)	(2,416)
	(1,356)	(1,309)	(1,265)	(1,222)	(1,181)	(1,140)	(1,102)	(1,064)	(1,028)	(993)	(960)	(927)
	(1,356)	(1,309)	(1,265)	(1,222)	(1,181)	(1,140)	(1,102)	(1,064)	(1,028)	(993)	(960)	(927)
	59,637	58,328	57,063	55,841	54,660	53,520	52,418	51,353	50,325	49,332	48,373	47,446

12	13	14	15	16	17	18	19	20	21	22	23
2033/34	2034/35	2035/36	2036/37	2037/38	2038/39	2039/40	2040/41	2041/42	2042/43	2041/43	2042/44
0.497	0.469	0.442	0.417	0.394	0.371	0.350	0.331	0.312	0.294	0.278	0.262

24	25	26	27	28	29	30	31	32	33	34	35
2041/44	2042/45	2041/43	2042/44	2041/44	2042/45	2042/45	2041/45	2042/46	2042/46	2041/46	2042/47
0.247	0.233	0.220	0.207	0.196	0.185	0.174	0.164	0.155	0.146	0.138	0.130

	37	38	39	40	41	42	43	44	45	46	47	48
	2057/58	2058/59	2059/60	2060/61	2061/62	2062/63	2063/64	2064/65	2065/66	2066/67	2067/68	2068/69
	(1,038)	(1,063)	(1,088)	(1,115)	(1,141)	(1,169)	(1,197)	(1,226)	(1,255)	(1,285)	(1,316)	(1,347)
	(493)	(505)	(517)	(530)	(542)	(555)	(569)	(582)	(596)	(611)	(625)	(640)
	(3,288)	(3,367)	(3,448)	(3,530)	(3,615)	(3,702)	(3,791)	(3,882)	(3,975)	(4,070)	(4,168)	(4,268)
	(592)	(571)	(552)	(533)	(515)	(498)	(481)	(464)	(449)	(433)	(419)	(404)
	(592)	(571)	(552)	(533)	(515)	(498)	(481)	(464)	(449)	(433)	(419)	(404)
	37,905	37,334	36,782	36,249	35,733	35,236	34,755	34,291	33,842	33,408	32,990	32,585

36	37	38	39	40	41	42	43	44	45	46	47
2042/47	2041/47	2042/48	2042/47	2041/47	2042/47	2042/47	2041/48	2042/47	2041/47	2042/47	2042/47
0.123	0.116	0.109	0.103	0.097	0.092	0.087	0.082	0.077	0.073	0.069	0.065

48	49
2041/48	2042/46
0.061	0.058

Analysis of spend at 5/7 Market Place, Gainsborough

	(£)					
	13/14	14/15	15/16	16/17	17/18	18/19
Electricity	68	222	394	294	454	342
Water		159		69	123	244
Utilities	285					
NNDR	1,961	(1,961)				

NNDR not paid because of listed s

Survey			900			
Electrical Installations	330					
Repairs			455	142	2,370	1,786
Project Delivery						2,400

Grand Total	2,644	(1,580)	1,749	505	2,947	4,773
--------------------	--------------	----------------	--------------	------------	--------------	--------------

Av/year	1,840
Av/year (utilities only)	442
Av/year (Reapirs/Maint)	1,397

status

5-7 Market Place, Gainsborough

Project Description	5-7 Market Place, Gainsborough
Stage	Two: Scoping
Project Sponsor	Eve Fawcett-Moralee
Project Manager	Wendy Osgodby
Project Start Date	October 2019
Anticipated End Date	Jun-20



STAGE ONE: PROJECT INITIATION

What is the evidence of need, demand or gap?

5- 7 Market Place is a prominent building in Gainsborough's historic town centre. It is located adjacent to the grand Natwest Bank building and the newly refurbished Cooplands bakery. The property whilst a key heritage asset is currently in a state of disrepair and provides an excellent opportunity for restoration, setting the standard for the Market Place and how WLDC value the area. Leaving this building to fall into further decline is not an option due to the key links with the below regeneration projects and specifically the Townscape Heritage Project. In addition this project clearly demonstrates the Council's commitment to heritage-led regeneration as outlined in the Heritage Masterplan 2017.

Since the decision to market the property in 2016, it has received interest from various potential tenants and purchasers. Unfortunately all interest has been withdrawn due to the extensive structural costs and conversion limitations due to its listed building status. The property has fallen further into disrepair and it is unlikely it will be developed without this intervention.

The timing of this project is highly important, as it will be undertaken in conjunction with a transformational programme of economic regeneration within Gainsborough town centre. Including:

- Market Street Renewal Limited
- New Hotel / restaurant
- Townscape Heritage Initiative – Development Phase
- Mayflower trail
- Wayfinding strategy
- New mixed use leisure facility on the Riverside

This project will form a crucial component of a major programme of economic regeneration, helping to secure the 'historic heart' of Gainsborough at the centre of the town's future.

What is the idea?

There is the opportunity to regenerate the building utilising a blend of grant funding including; Townscape Heritage, Living over the Shop (LOTS) and Gainsborough Shopfront refurbishment grant. The building is situated within Gainsborough Town Centre Conservation Area and is listed for its architectural or historical interest. The focus of the regeneration of 5-7 Market Place will be on the viability of conversion into three flats with a ground floor commercial unit.

Latham's heritage architects were appointed to carry out a heritage survey/statement and have identified that whilst the property once had many valuable heritage features, the majority of these have been lost in the early life of the building and therefore further alterations are not envisaged to be an issue providing they are sympathetic to the original property and maintain the main feature, the frontage.

What outcomes and benefits are you trying to deliver?

In alignment with WLDC's Corporate Plan, Economic Growth Strategy 2014- 2034 and Gainsborough Town Centre Heritage Masterplan, the following benefits will be delivered:

External or community benefits

- Securing the future of a town heritage asset
- Creation of 3 x high quality unique dwellings in historic town centre increasing footfall / (24hr economy in the Market Place)
- Improve the visual appearance of the building (new shopfront) and wider Market Place making the area more appealing
- Attract a new business opportunity within the Market Place widening the existing town centre offer, Compliments / enhances the Town Centre Regeneration Programme
- Provide high quality commercial premise in prime town centre location
- Increase footfall in the historic town centre at different times of the day / (24hr economy in the Market Place)

Internal or organisational benefits

- Demonstrate WLDC's commitment to heritage-led / town centre regeneration
- Return on the initial investment in the building
- Provide a use for a building which without this intervention is likely to remain empty
- Provide a commercial return / income from the rental of the ground floor commercial space and sale of the dwellings

What risks are associated with this project?

Risk	L	I	Score	Rating
Risk 1. Unable to find a suitable solution for the redevelopment of the building	2	4	8	
Risk 2. THI monies potentially at risk due to the outcome of 5-7 Market Place	2	4	8	
Risk 3. Financial barrier to required works due to previous spend on building	2	4	8	

LIKELIHOOD	ALMOST CERTAIN (4)				
	PROBABLE (3)				
	POSSIBLE (2)				• Risk 1, • Risk 2 • Risk 3
	HARDLY EVER (1)				
		NEGLIGIBLE (1)	MINOR (2)	MAJOR (3)	CRITICAL (4)
IMPACT					

Who are the key stakeholders of the project?

Stakeholder	Influence
WLDC	High
Businesses operating in the town centre	Medium
Visitors	Medium
Residents	Medium
Market Stallholders	Low

Are any resources required for the scoping of this project?

Type	Reason	Finance Type	Approximate Value	Funding Source	Fin-Ref

How does the project align with the Corporate Plan?

Relevant Theme	Relevant Priority	How does the project align?
Theme 3: Asset Management	To develop and maximise the return on, and value of, our land and property.	The project will create a return from the sale of the flats and the commercial premise income. Council tax and business rates will be generated from the project in addition to the above.
Theme 3: Asset Management	Maximise the benefits of our assets for our communities.	The project will improve the Market Place both visually and for increasing footfall with the introduction of a new commercial premise with a new and enticing shop front.
Theme 3: Asset Management	Utilise our land and property to facilitate inward investment.	The project will improve the economy of the Market Place enticing new and existing customers to utilise the area as well as provide new high end dwellings.
Theme 1: Open for business	To attract inward investment	This project will support the wider regeneration plans for Gainsborough Town Centre and encourage inward investment in the area
Theme 1: Open for business	To retain, support and facilitate the growth of businesses in the district	This project will provide the opportunity for a local business to operate in the town centre



Data Protection Assessment

Question	Response
Do you plan to process personal data in any of the following ways	
Use systematic and extensive profiling or automated decision-making to make significant decisions about people.	No
Process special category data or criminal offence data on a large scale.	No
Systematically monitor a publicly accessible place on a large scale.	No
Use new technologies.	No
Use profiling, automated decision-making or special category data to help make decisions on someone's access to a service, opportunity or benefit.	No
Carry out profiling on a large scale.	No
Process biometric or genetic data.	No
Combine, compare or match data from multiple sources.	No
Process personal data without providing a privacy notice directly to the individual.	No
Process personal data in a way which involves tracking individuals' online or offline location or behaviour.	No
Process children's personal data for profiling or automated decision-making or for marketing purposes, or offer online services directly to them.	No
Process personal data which could result in a risk of physical harm in the event of a security breach.	No

If you have answered yes to any of the above then you must carry out a Data Protection Impact Assessment. Please see the Data Protection Officer for more information.

Question	Response
Do you plan to carry out any of the following?	
Evaluation or scoring	No

Question	Response
Automated decision-making with significant effects	No
Processing of sensitive data or data of a highly personal nature	No
Processing on a large scale	No
Processing of data concerning vulnerable data subjects	No
Innovative technological or organisational solutions	No
Processing involving preventing data subjects from exercising a right or using a service or contract	No

If you have answered yes to any of the above then you must consider carry out a Data Protection Impact Assessment. If you decide not to carry out a DPIA, state your reasons.

Not applicable

Data Protection Officer comments:

Not applicable



Equality Assessment

Question	Response
Improve access to public services and basic amenities for elderly and disabled people through more efficient provision of Council services to sustain and improve their quality of life	No
Improve opportunities for youth to effectively engage in the community and to develop employment skills	No
Reduce mental and physical health inequalities within the district by providing support and promoting an active and healthy population	No
Promote safe and secure communities by fostering good relations between different groups of people.	No
Ensure participation and community engagement from all sectors of society for an accessible and connected district	No

Will this project have an impact on...?

- How services are delivered to the public? No
- Human Resources Policies? No

Have any aspects of your project been covered by other EIAs? No

If yes, please indicate which ones and the dates. Also indicate which new/additional aspects would be covered under this EIA.

Not applicable



Decision Process

Due-diligence

Not applicable

Decision process

Decision level	Service decision
Decision	
Date	
Board minutes/comments	
Attendees	



STAGE TWO: PROJECT SCOPING



Scoping Information

It is important to emphasise this project relates to the future of the building and does cover issues regarding previous expenditure and the purchase of the building. Please refer to Stage 4 paper relating to 5-7 Market Place.

Development of this building will strengthen the success of the aforementioned regeneration projects and complement the Council's commitment to heritage-led regeneration as outlined in the Heritage Masterplan 2017. If this building is not renovated it will fall into further disrepair, this will cause harm to the historic market place.

At present, 5-7 Market place requires approx. £1,840 per annum to retain plus any urgent repair works on an ad hoc basis however the longer it is left in its existing state the further the costs will increase. It is important to note that the structural works must be completed as a bare minimum with a cost of £160,000 in addition to the annual running costs.

Improvement proposals for the building are through a mixture of building works required for structural and maintenance purposes in addition to costs associated with conversion into flats and refurb of the ground floor premises. In addition works are required to the shop front to bring this up to an acceptable and attractive standard suitable for the historic market place located in the Town Centre Conservation Area.

Option One: Conversion of the premises to 3 x dwellings with ground floor commercial unit managed by WLDC

As 5-7 Market Place falls further into disrepair the costs for the building works are growing in addition to the empty commercial unit being contrary to the town centre regeneration strategy. It is vital for the regeneration of the Market Place that the property is renovated as soon as possible and brought back into use.

. As a total conversion project and prior to any grants being received a decent and compliant conversion into flats and a new shop front would cost of £538,500 (includes £68,500 client owned risk register). These figures indicate commercial viability is challenging, which has led to a lack of private sector interest.

WLDC have the ability to look at the long term investment opportunity as well as the wider non-financial benefits however we should be mindful that the extent of the project will have a high financial risk in comparison to the return on the investment.

Benefits

- Demonstration of the council's commitment to heritage-led regeneration which will support The Natural Lottery Heritage fund bid (£1.9m)
- The building will be fully renovated and will complement / support the wider town centre regeneration projects
- Timeframes, design, specification etc. can be aligned with the wider town centre Regeneration Strategy
- Visual improvements will support the improvements / plans for the market
- Development of high quality unique dwellings in the town centre
- The renovation works will be completed to a high standard
- Works will be completed within an agreed timeframe
- Income generation from rental of commercial unit and sale of 3 x dwellings
- Ground floor commercial premises brought back into use.
- Reduction in maintenance and insurance costs

Constraints

- Project is high risk due to refurbishment elements therefore contingency amounts can only be assumed.
- Payback period of investment is 25 years and will be funded from capital receipts net of any grants awarded.
- If a tenant can't be found for the commercial unit the payback will not be achieved.
- Sales of the flats do not achieve the required sale value damaging the profit and lengthening the payback period.
- Sale of the flats does not take place
- Contractor interest could be low due to the complex nature of the scheme.

Financial summary

Item	rent flats /lease commercial unit -Cost
Capital Expenditure	
Pre-Construction Charge	40,660
Construction	429,340
Client owned risk register	68,500
Total	£538,500
Grants	
Living Over a Shop (LOTs)	(£75,000)
Shopfront	(£15,000)
Townscape Heritage	(£72,000)
Total	(£162,000)
Total costs after grant income	£376,500
Capital Receipts	
Sale of flats £85,000 each	(£255,000)
Rental Income	
NPV of Rental Income less 10% void period (Over 25 years)	(£97,719)
Revenue Costs/Savings	
Legal and Professional Fees (Revenue)	£10,000
NPV of revenue cost/savings	(£34,363)
Total Profit	(£582)

Assumptions and Dependencies

The financial model is reliant on successful external funding applications

With the above option the payback period will be 25 years.

Valuations have been obtained by Bruton Knowles in September 19, they don't take account of any changes in market conditions (such as a new cinema).

It is hoped the £68,500 client risk register can be reduced, decreasing payback period

It is likely construction costs will be reduced, there is a strong possibility preliminaries can be shared with a nearby development.

Void periods have been assumed at 10%.

RPI has been applied to all future year income and expenditure at the current rate as of October 2019 (2.4%)

Future year cash flows have been discounted to net present value at 6%.

Revenue savings have been calculated using 2020/21 budget estimates and prior year averages.

Non-financial Benefits

The building is located at the gateway to the Market Place which is part of the historic town centre, this project will strongly demonstrate both the Council's strategy of linking heritage to growth (as sited in the Grimsey 2 report) and the wider regeneration of the town centre. The town has embarked on an ambitious programme of development including; new hotel and restaurant, development of commercial units and conversion of the upper floors into dwellings. This project will underpin future regeneration such as the development of the Lindsey Centre and cinema / leisure offer.

As the Council is in the Delivery Phase of a Townscape Heritage Initiative this project can be used as an exemplar and demonstration of our ability to be a positive custodian of buildings with a heritage value.

Risks Assessment:

If this building is not renovated it will fall into further disrepair, this will cause harm to the historic market place and wider regeneration plans for the town centre.

Option Two: Seek to identify a Joint Venture to carry out the project

The option to transfer the scheme into a Joint Venture would be on a similar basis to the project being managed in house however the risk and profit would be shared and therefore profit is unlikely but overspend is minimised.

Benefits

- Reduced level of risk - as risk is shared
- Some level of control is retained
- Timescales can be applied for delivery therefore property does not sit empty.
- The building will be fully renovated and will complement / support the wider town centre regeneration projects
- Track record of delivery high quality regeneration schemes
- No WLDC officer time required (apart from existing resource to support (MSRL)
- High quality accommodation opportunity at an affordable price
- Ground floor premises brought back into retail use.

Constraints

Day to day management will be led by the JV partner reducing WLDC's control of the development

- It will be difficult to secure a JV partner for a scheme of this nature due to the minimal returns and complexities of the scheme.
- WLDC would need to inject a higher level of funding into the project to gain the interest of a JV partner to enable them to see a return on their investment. This in turn results in little to no financial return to WLDC.
- Listed building constraints may mean the project is not financially viable.
- If a tenant can't be found for the commercial unit the payback will not be achieved.
- Sales of the flats do not achieve the required sale value damaging the profit and lengthening the payback period.
- Profit is unlikely and any rental returns are shared if drawn down.
- Commercial Unit could remain empty if rental price is set too high by the JV

Financial summary Non-financial Benefits

Included above

Assumptions and Dependencies

The financial model is reliant on external funding which would need to be identified through an interested JV partner.

Option Three: Auction the property (sold as seen)

This option would cease our ongoing liability for the building and transfer to a third party. It has been demonstrated thoroughly that at the price current marketed price of £175,000 we will not receive a sale as outlined above.

Selling at auction could provide a quick sale and the disposal of a currently costly asset with a saving of up to £4,000 per annum in services costs. A sale is likely to generate an income of approximately £60,000-£70,000 however we need to consider that the purchaser will encounter the same issues relating to renovation as all prior interest. As a result it is likely the property will remain in disrepair and is likely to be resold.

In line with the plans for the regeneration of Gainsborough, auction must be approached with caution however we cannot ignore the fact that the return after legal fees to the council is near comparative and with less financial risk than that of in house development.

Potential profit – Estimated £50,000 immediate return

Benefits

- Property will be removed from WLDC's property portfolio, removing ongoing liability and associated costs
- A small return on the investment will be immediately seen
- Minimal officer involvement.

Constraints

- We are unable to demonstrate our ability to manage complex projects to the THI as we will be seen to have passed on the problem.
- Property is likely to remain empty
- Property could be resold quickly and then remain empty
- The property falls further into disrepair as costs of building works are not understood by buyer therefore works do not commence
- An empty and run down building in the historic Market Place contradicts all other plans / visions for the town centre and potentially reduces the likelihood of other investment in the area due to lack of developer confidence
- The urgent structural repairs remain and therefore the building will become a health and safety risk to the Market Place in time.

This option does not demonstrate a commitment to heritage-led regeneration, it is unlikely that any solutions would fit in the Gainsborough Regeneration Vision.

Recommended option

Option One

Decision level

Land and Property Forum

Project team

Title	Role	Name	Relevant qualifications/ experience?	Additional training requirement
Project Sponsor	Responsible	Eve Fawcett-Moralee	Yes	Not applicable
Project Manager	Accountable	Wendy Osgodby	Yes	Not applicable
Financial Services Business Partner	Accountable	Tracey Bircumshaw	Yes	Not applicable
Business Change Manager	Accountable	David Kirkup	Yes	Not applicable
Service Matter Expert	Accountable	David Kirkup	Yes	Not applicable
Service Matter Expert	Consulted	Liz Mayle	Yes	Not applicable

Considerations

Area of expertise	Officer Name and Organisation	Officer Comments
Assets and Facilities	David Kirkup	Agreeing the technical specification, contract and technical project management
Corporate Systems Group	Not applicable	-
Commercial/Business Development	Not applicable	-
Communications/Marketing	Not applicable	-
Customer Services	Not applicable	-
Enterprise Board	Not applicable	-
Equalities/Consultation	Not applicable	-
Health and Safety	Not applicable	-
Human Resources	Not applicable	-
Information Governance/CIGG	Not applicable	-
Legal/Insurance	Euan Gibson – Lincs Legal	Conveyancing services for the sale of the flats and leaseholds.
Member approval	Katie Coughlin/Tracey Bircumshaw (WLDC)	<p>The Financial procedure rules state that the Capital Programme is only an approval of the budget and not approval of the spend.</p> <p>A report is required to CP&R (or dependent on the value/political interest/size of the scheme a narrative in our Qtrly Budget Monitoring - Capital Update report) detailing the scheme proposals, the financial implications of the various elements of the scheme providing the total expected spend and funding options.</p> <p>The recommendation is then for the approval of the scheme and expenditure.</p>
Procurement/Contracts	Anna Grieve (WLDC)	To facilitate and monitor the procurement of the contractor and design services.

Area of expertise	Officer Name and Organisation	Officer Comments
Sundry Debtors	Not applicable	-
Development Management	TBC	Planning approval for change of use

Scoping inclusions

Section	Include	Comments
Equality Impact Assessment	No	
Privacy Impact Assessment	No	
Data Protection Impact Assessment	No	
Commercial Considerations	No	
Financial Considerations	Yes	Full financial analysis contained within project documentation

Procurement Strategy

Due to the specialist nature of this scheme it is proposed the refurbishment is procured using a framework agreement, this will allow the opportunity to work closely with the selected specialist contractor to share aspirations and gain clear projects outcomes.

The procurement is split into two sections, allowing for a greater understanding of any project costs and risks before entering into a full construction agreement. For committing to the £40k pre-con fee (which includes £25k worth of external design) WLDC will effectively have a fully compliant design, a market tested and fixed price after working through the unknown points included in the risk register and a developed programme to allow us to prepare a Delivery Agreement (build contract). The PCDA will be a formal contract with defined cost, scope & timescales purely for the pre-construction aspect of the project.

Deliverables

What are we trying to achieve?	Baseline performance	Desired performance
A return to WLDC on the investment into the Market Place Building	-	
Provide additional dwellings to the town centre	-	
Provide a new business opportunity within the Market Place	-	
Improve the frontage of the building to give better appeal to the market place	-	
Provide an income from the rental of the ground floor shop/office space	-	

Risk Management

Risk	L	I	Score	Mitigating Action
Risk 1. Unable to find a suitable solution for the redevelopment of the building	2	4		The use of a heritage architect allows identification of a suitable solution for the project.
Risk 2. Financial barrier to required works due to previous spend on building	2	4		The property will continue to fall into disrepair and become a safety hazard to the Market Place should sufficient works not take place therefore previous spends need to be discounted at this stage.
Risks of Proceeding:				
Risk 3. Flats do not sell for the values allowed for in the financial strategy	2	3		The flats have been valued by Bruton Knowles, they will be valued again at the end of the project to take account of any changes in the market. If the flats remain unsold we will look at the option to rent out the flats to cover the expenditure.
Risk 4. Build costs exceed the estimates received and therefore costs increase.	2	3		The project is envisaged to be competitively tendered with no contracts being signed until contract sums are agreed. Contingencies have been allowed for additional costs to cover unforeseen items. WLDC dedicated officer will work with the contractor to manage the project.
Risks of Not Proceeding				
Risk 5. The building falls further into disrepair with the structural issues creating a health and safety risk.	4	4		As a bare minimum the structural issues must be addressed however the costs to do this as a standalone project are £7000 higher than if they are carried out as part of a main overhaul. Without major intervention the property will require further and further urgent repairs of which we will see no benefit.
Risk 6. Reputation – The property is identified as a WLDC asset by the public and therefore is seen as we do not stick to our own promises for regeneration and Economic Growth	2	3		In proceeding with the project we demonstrate our ability to improve and regenerate the Market Place as per our corporate plan.

LIKELIHOOD	ALMOST CERTAIN (4)				• Risk 6
	PROBABLE (3)				
	POSSIBLE (2)			• Risk 4, • Risk 7	• Risk 1, • Risk 2 • Risk 5
	HARDLY EVER (1)				
		NEGLIGIBLE (1)	MINOR (2)	MAJOR (3)	CRITICAL (4)
IMPACT					

Stakeholder Management

Stakeholder	Influence level	Relationship	Expectations	Communication	Action plan
WLDC	High	Process Owner	• Minimal disruption	Meet with regularly	• Build into coms plan

Stakeholder	Influence level	Relationship	Expectations	Communication	Action plan
			• Enhanced town scene		• Follow governance procedures
Neighbouring businesses	Medium	Customer	• Minimal disruption • Enhanced town scene	Informal/casual involvement	• Build into coms plan
Visitors	Medium	Customer	• Minimal disruption • Enhanced town scene	Informal/casual involvement	• Build into coms plan
Residents	Medium	Customer	• Minimal disruption • Enhanced town scene	Informal/casual involvement	• Build into coms plan
Market Stallholders	Low	Customer	• Minimal disruption • Enhanced town scene	Informal/casual involvement	• Build into coms plan

Key milestone(s)

Stage	Milestone	Proposed Delivery Date	Owner
Two	Start of pre-construction stage	Jan 20	W.Osgodby
Two	Start of Construction stage	April 20	W.Osgodby
Three	Works completed	Sept 20	W.Osgodby

Dependencies

Project/work area	Relationship	Monitoring Method
z\	Following a successful funding bid to the National Lottery Heritage Fund, it is the vision that 5 – 7 Market place will be used as an exemplar project to demonstrate our ability to deliver high quality historic building renovation projects that demonstrate to the residents of West Lindsey we are commitment to the redevelopment and of that area.	Project Team involvement in both projects

Communications/Consultation Plan

Key Messages		
Target audience	Key messages	Channels
TBA		

Resource Management

Resource type	Required activity	Resource agreed?	Built into project plan?
---------------	-------------------	------------------	--------------------------



Commercial Considerations- not applicable



Project Finances

Capital expenditure

Year One	Year Two	Year Three	Year Four	Year Five	TOTAL
£40,660	£497,840	£	£	£	£538,500

Financing option

Option	Applicable?	Value
Capital Receipts	Choose an item.	£376,500
Reserves	Choose an item.	£
Borrowing	Choose an item.	£
Capital grant unapplied	Choose an item.	£
Section 106	Choose an item.	£
Grants		£162,000
TOTAL		£ 538,500

Revenue Implications of Capital Programme
--

Yes

Revenue Implications of Project
--

Yes

Revenue Implications

Revenue	Year One	Year Two	Year Three	Year Four	Year Five
Income			(£6,000)	(£6,000)	(£6,000)
Expenses			£10,000		
Capital Financing					
TOTAL			£4,000	(£6,000)	(£6,000)

Cost centres affected

IN08 Investment Properties
ET02 Economic Regeneration

Reserves affected

Capital Receipts will finance the balance of capital investment after use of grant funding to the amount of £162k.

Opportunity costs

Resource	Days	Costs
-		

Commercial costs

Funding opportunities

Living Over a Shop (LOTs)	£75,000.00
Shopfront	£15,000.00
Townscape Heritage	£72,000
Total	£162,000.00

Comments

Approval of CP&R will be required for the Budget and approval to spend £538,500 to deliver this scheme



Supporting Information

Document	Included?
Detailed financial analysis	Included in documentation
Full project plan	Included in documentation
Communications Plan	Not applicable
Marketing Plan	Not applicable
Stakeholder Assessment	Not applicable
...	



Decision Process

Gate way review and recommendations

Is the project still relevant?	Yes
Does the project still align with Corporate Plan?	Yes
Recommendation	Proceed
Comments	
Date	14 Oct-19

Finance sign-off

FIN-REF	FIN/114/20
Recommendation	Proceed
Comments	Approval of CP&R will be required for the Budget and approval to spend £538,500 to deliver this scheme
Officer	Josh Alcock
Date	18/10/2019

Sponsor sign-off

Recommendation	Choose an item.
Comments	
Date	

Portfolio Board

Decision	Choose an item.
Board minutes/comments	
Date	
Attendees	



Valuation Report

5-7 Market Place

Gainsborough

DN21 2BP

Contact Details

Prepared by:	Bruton Knowles LLP 15 Castle Gate Nottingham NG1 7AQ	
BK Contacts:	Valuer: Geoff Solman BSc MRICS RICS Registered Valuer Approving Officer: James Bailey FRICS RICS Registered Valuer	T: 0115 988 1160 E: geoff.solman@brutonknowles.co.uk T: 0115 988 1160 E: james.bailey@brutonknowles.co.uk
Prepared for:	West Lindsey District Council Guildhall Marshall’s Yard Gainsborough Lincolnshire DN21 2NA	
Client Contacts:	Wendy Osgodby Procurement Team	T: 01427 676636 E: wendy.osgodby@west-lindsey.gov.uk
Date of Inspection and Valuation:	22 nd August 2019	
Date of Report:	9 th September 2019	
BK Ref:	524518/GNS	

Contents

	Page No
1 Executive Summary.....	1-3
2 Terms of Instruction.....	4-5
3 Property Report	
3.1 Location	6
3.2 Description.....	6-7
3.3 Accommodation.....	7
3.4 Services	8
3.5 Condition	8
3.6 Environmental Matters.....	8-9
3.7 Local Authority & Statutory Enquiries	10-13
3.8 Tenure.....	14
3.9 Occupation.....	14
4 The Valuation.....	
4.1 Factors Affecting Value	14
4.2 Market Conditions & Demand	15-17
4.3 Comparable Evidence	18-19
4.4 Valuation Methodology	20
4.5 Verification.....	20
4.6 Valuation Definition.....	21
4.7 Valuation.....	21-23

Appendices

Appendix One	Location and Site Plans
Appendix Two	Photographs
Appendix Three	Purchase Order
Appendix Four	Standard Terms and Conditions of Engagement
Appendix Five	Proposed Floor Plans

1 Executive Summary

Property	5-7 Market Place, Gainsborough DN21 2BP
Classification and Use	Shop with Offices above held for strategic purposes.
Location	Within the historic Market Place in the town centre.
Description	Four storey Grade II Listed building of brick and slate construction.
Planning Use	A2 Financial and Professional Services and B1(a) Offices assumed.
Floor Area	Existing NIA of 213 sq m (2,294 sq ft). Proposed areas: see 3.3.1
Tenure	Freehold with vacant possession.
Condition	The property appeared to be in a fair condition commensurate with its age, use and construction.
Specialist Reports	Specialist reports have been obtained by the client relating to the structural condition of the property with estimated costs and design solutions for remedial work.
Environmental	No obvious sign of contamination upon inspection.
Valuation	Scheme 1 – single bathroom Flats

In our opinion the Market Value of the subject property as at 22nd August 2019 on the assumption that a comprehensive conversion and refurbishment scheme has been satisfactorily completed, freehold with vacant possession throughout and subject to the assumptions and comments in this Report and Appendices was **£250,000 (Two Hundred and Fifty Thousand Pounds)**.

In our opinion the Market Value of the individual Flats as at 22nd August 2019 on the assumption that a comprehensive conversion and refurbishment scheme has been satisfactorily completed, leasehold with vacant possession throughout and subject to the assumptions and comments in this Report and Appendices was **£80,000 (Eighty Thousand Pounds) each**.

In our opinion the Market Value of the Flats as a single Lot as at 22nd August 2019 on the assumption that a comprehensive conversion and refurbishment scheme has been satisfactorily completed, leasehold with vacant possession throughout and subject to the assumptions and comments in this Report and Appendices was **£200,000 (Two Hundred Thousand Pounds)**.

In our opinion the Market Rent of the Flats as at 22nd August 2019 on the assumption that a comprehensive conversion and refurbishment scheme has been satisfactorily completed and standard Assured Shorthold Tenancies are in place for a minimum term of 6 months and subject to the assumptions and comments in this Report and Appendices was **£15,300 (Fifteen Thousand Three Hundred Pounds) per annum exclusive**.

In our opinion the Market Value of the Ground Floor Retail unit as at 22nd August 2019 on the assumption that a comprehensive conversion and refurbishment scheme has been satisfactorily completed, freehold with vacant possession throughout and subject to the assumptions and comments in this Report and Appendices was **£50,000 (Fifty Thousand Pounds)**.

In our opinion the Market Rent of the Ground Floor Retail unit as at 22nd August 2019 on the assumption that a comprehensive conversion and refurbishment scheme has been satisfactorily completed and a lease is in place for a minimum term of 6 months and subject to the assumptions and comments in this Report and Appendices was **£6,000 (Six Thousand Pounds) per annum exclusive**.

Scheme 2 – bathroom and ensuite shower room Flats

In our opinion the Market Value of the subject property as at 22nd August 2019 on the assumption that a comprehensive conversion and refurbishment scheme has been satisfactorily completed, freehold with vacant possession throughout and subject to the assumptions and comments in this Report and Appendices was **£265,000 (Two Hundred and Sixty Five Thousand Pounds)**.

In our opinion the Market Value of the individual Flats as at 22nd August 2019 on the assumption that a comprehensive conversion and refurbishment scheme has been satisfactorily completed, leasehold with vacant possession throughout and subject to the assumptions and comments in this Report and Appendices was **£85,000 (Eighty Five Thousand Pounds) each**.

In our opinion the Market Value of the Flats as a single Lot as at 22nd August 2019 on the assumption that a comprehensive conversion and refurbishment scheme has been satisfactorily completed, leasehold with vacant possession throughout and subject to the assumptions and comments in this Report and Appendices was **£215,000 (Two Hundred and Fifteen Thousand Pounds)**.

In our opinion the Market Rent of the Flats as at 22nd August 2019 on the assumption that a comprehensive conversion and refurbishment scheme has been satisfactorily completed and standard Assured Shorthold Tenancies are in place for a minimum term of 6 months and subject to the assumptions and comments in this Report and Appendices was **£16,200 (Sixteen Thousand Two Hundred Pounds) per annum exclusive**.

Comment

The uncertainties surrounding the UK's departure from the European Union ("Brexit") could have significant effects on the subject property in the form of inflated development costs (in the case of the UK reverting to WTO trading rules with the European Union). The ongoing uncertainty could also cause the market for the completed apartments to fluctuate. The Market Value reported herein reflects the situation and the associated market sentiment as at the valuation date. As the subject property comprises a development opportunity for which planning consent is in place, and the anticipated development timescale to leave the European Union has already been extended and may be extended further. Any change in the UK's relationship with the European Union from the status quo has the potential to disrupt the development process. This risk goes two ways. Anecdotal evidence suggests that the uncertainty since the Brexit referendum in July 2016 has already impacted on inflation and the wider economy. If Brexit were to be cancelled or significantly delayed, or if Brexit were to be very soft (with the trading relationship between the UK and European Union largely unaffected) then this could counteract these effects to some degree.

Note

The above is merely a summary of the valuation report and reference should be made to the remainder of the document for a more detailed report of the property.

2 Terms of Instruction

- 2.1 In accordance with your email instruction and Purchase Order dated 19th August 2019 (copy at Appendix Three), the agreed scope and details of which are set out in our Standard Terms and Conditions of Engagement (copy at Appendix Four), we have inspected the subject property in order to advise you of our opinion of the market value] of the freehold interest in the property to assist in determining the preferred disposal strategy.
- 2.2 The subject property was inspected by and this report is prepared by **Geoff Solman BSc MRICS** who has sufficient current local and regional knowledge of the particular market and the skills and understanding to undertake this valuation competently.
- 2.3 The Valuation Date is 22nd August 2019, being the date of inspection. The extent of our inspection was limited by the presence of fitted floorcoverings.
- 2.4 We confirm that this valuation is prepared in accordance with the RICS Valuation – Global Standards 2017, which incorporates the International Valuation Standards, published by the Royal Institution of Chartered Surveyors and we are acting as external valuers as defined therein.
- 2.5 We confirm that, we have had prior involvement with the subject property and we are retained to provide valuation services to the client, but we consider that we do not have any material conflict of interest in providing this valuation and report with the required level of independence and objectivity.
- 2.6 You have also requested that we provide additional valuations on the following Special Assumptions:

Scheme 1 and Scheme 2

- a) Market Value following satisfactory completion of comprehensive conversion and refurbishment work.
- b) Market Value of individual Flats following satisfactory completion of comprehensive conversion and refurbishment work.
- c) Market Value of Flats as a single Lot following satisfactory completion of comprehensive conversion and refurbishment work.
- d) Market Rent of Flats following satisfactory completion of comprehensive conversion and refurbishment work.

- e) Market Value of the Retail unit following satisfactory completion of comprehensive conversion and refurbishment work.
- f) Market Rent of the Retail unit following satisfactory completion of comprehensive conversion and refurbishment work.

- 2.7 We have considered these special assumptions in accordance with Valuation Technical & Performance Standard 4 of the RICS Valuation – Global Standards 2017 and consider that they can reasonably be regarded as realistic, relevant and valid in connection with the particular circumstances of the valuation.
- 2.8 We have valued the property using information provided to us by Wendy Osgodby including proposed floor plans and an indicative brief specification of works. If any of the information upon which we have relied is subsequently found to be incorrect, this may affect the valuation figure, which would need to be reconsidered.
- 2.9 Our Standard Terms and Conditions of Engagement forms an integral part of this valuation report. They should be read in full as they contain important caveats and conditions relevant to this valuation including limits of liability, non-publication restrictions, condition and contamination. Full definitions of the basis of valuation are also included.
- 2.10 This Report and Valuation has been prepared on the basis that there has been full disclosure of all relevant information and facts which may affect the valuation. It is provided for the stated purposes and only for the use of the party whom it is addressed. It is confidential to West Lindsey District Council and may not be disclosed to any other third party without our prior written consent. In breach of this condition, no responsibility can be accepted to third parties for the comments or advice contained in this report.
- 2.11 Any transferee, successor or assignee relying upon the Report shall be deemed to be bound by the terms of our engagement letter and our liability shall be no greater in either amount or duration as a result of extending reliance to those third parties. The number of assignments shall be no more than two.

3. Property Report

3.1 Location

- 3.1.1 The property is located on the east side of Market Place, close to the junction of Market Street with Lord Street and Church Street in the heart of the town centre. The surrounding properties are primarily retail in character and there are some residential upper parts.
- 3.1.2 The property is within walking distance of Marshalls Yard, on street and municipal parking, bus and train services. Gainsborough offers affordable housing in a national context and provides opportunities for commuters.
- 3.1.3 A Location Plan and an Ordnance Survey extract are attached at Appendix One. Our understanding of the extent of the subject property is outlined in red on the extract which is provided for identification purposes only.

3.2 Description

- 3.2.1 The property is Grade II Listed with brick main walls, sash windows to the majority of the upper floors with stone window heads and cills, a modern aluminium shopfront and slate roof covering. It appears to date from the late 18th or early 19th Century.
- 3.2.2 The existing accommodation comprises a retail shop with inset entrance door and rear access to the upper floors via two separate staircases. Office accommodation is on each of the upper floors with welfare facilities and a rear fire escape staircase.
- 3.2.3 The property accommodation (see Appendix Five) will comprise the ground floor retail shop with small kitchen and disabled toilet facility. A separate side access from the yard will lead to the self contained two bedroom Flats on the first, second and third floors.
- 3.2.4 There are two alternative configurations for the Flats which will broadly comprise Scheme 1 with a single bathroom and Scheme 2 with an ensuite shower room and bathroom with larger floor areas.
- 3.2.5 We are advised that the internal finishes, fixtures and fittings will be in line with the peer group.
- 3.2.6 There is a side pedestrian access beneath the upper floors, leading to a rear yard area. The fire escape is within this area and we understand a neighbour may also have a fire escape route across this land.

- 3.2.7 Photographs of the main elevations and interior of the subject property are attached at Appendix Two.

3.3 Accommodation

- 3.3.1 We have been provided with scale floor plans by the client and have taken check measurements on site to confirm their accuracy and can therefore report the following approximate gross and net internal floor areas for the proposed configurations calculated in accordance with the RICS' Code of Measuring Practice (6th Edition):-

Retail			
Floor	Use	Net Internal Area Sq M	Approx Sq ft
Ground	Retail	45.93	494
Ground Floor Sales ITZA		36.60	394

Residential – Scheme 1 – single bathroom Flats			
Floor	Use	Gross Internal Area Sq M	Approx Sq ft
First		56.95	613
Second		68.41	736
Third		68.23	734
Total		193.59	2,083

Residential – Scheme 2 – bathroom and ensuite shower room Flats			
Floor	Use	Gross Internal Area Sq M	Approx Sq ft
First		70.00	754
Second		69.90	753
Third		70.30	757
Total		210.20	2,264

- 3.3.2 Using Promap software we calculate that the site extends to approximately 177 sq m (212 sq yards).

3.4 Services

- 3.4.1 We understand that the property is connected to electricity, drainage and water services, but have not carried out any tests in this regard.
- 3.4.2 We have assumed that thermostatically controlled electric heating will be installed throughout.

3.5 Condition

- 3.5.1 Your attention is directed to our Standard Terms and Conditions of Engagement contained at Appendix Four. We confirm that we have not carried out a building condition survey.
- 3.5.2 During the course of our inspection we noted that the property generally appeared to have been maintained to a fair standard only having regard to its age, use and construction.
- 3.5.3 We are instructed to assume that the property will be converted and refurbished to a satisfactory standard and we are valuing on this basis.
- 3.5.4 The extent of our inspection was limited by the presence of fitted floorcoverings.
- 3.5.5 The age and style of construction of the subject property is such that materials such as high alumina cement concrete, woodwool shuttering, calcium chloride or asbestos are likely to have been used in its original construction or subsequent alteration. We are valuing on this basis.
- 3.5.6 Our valuation is based on the assumption that the building and its services will be in a good working order and no allowance has been made for any outstanding wants of repair or defects.

3.6 Environmental Matters

- 3.6.1 Your attention is directed to our Standard Terms and Conditions of Engagement contained in Appendix Four.

Contamination

- 3.6.2 We noted no obvious signs of contamination during our inspection, but we are not qualified to give assurances on environmental issues. Our valuation has been undertaken on the basis that the property is not contaminated. Should it be established subsequently that contamination exists on the subject property or any neighbouring land, this might reduce the values now reported.

3.6.3 **Flooding**

The site lies within Flood Zone 3 which benefits from flood defences. The Environment Agency website indicates that this location has a medium risk of flooding taking into account the effect of any flood defences. Medium means that each year this area has a chance of flooding of between 1 in 100 (1%) and 1 in 30 (3.3%). Flood risk in this area is significant as per the definition in the Statement of Principles Agreement between the Government and the Association of British Insurers. We assume that for valuation purposes, buildings insurance is and will continue to be available on standard terms and at standard premium levels. We value on this basis.

Radon

- 3.6.4 Reference to the *ukRadon* online resource suggests that the site is not within an area directly affected by radon gas. For the purposes of this report we have assumed that there are no additional development costs necessary to deal with radon gas.

Coal Mining

- 3.6.5 Reference to the Coal Authorities online interactive mapping service suggests that the whole of Gainsborough and beyond is within a Surface Coal Resource Area but is not within a coal mining area. We value on this basis.

Invasive Species

- 3.6.6 Japanese Knotweed can block footpaths and damage concrete, tarmac, flood defences and the stability of river banks and Giant Hogweed can cause harm to human health. Injurious weeds are native species, which cause problems for farming as they are harmful to livestock and must not be allowed to spread to agricultural land.
- 3.6.7 During the course of our inspection in August 2019 we did not note the presence of any invasive vegetation, however we are not qualified to give such assurances and cannot guarantee that the land is entirely free from the same. For the purpose of this report, we are valuing on the basis that there is no invasive vegetation present including Japanese Knotweed.

Archaeological Remains

- 3.6.8 We are unaware of the presence, or likely presence, of any archaeological remains on or adjacent to the subject property and have assumed there are none in arriving at our opinion of value.

3.7 Local Authority & Statutory Enquiries

3.7.1 Your attention is directed to our Standard Terms and Conditions of Engagement contained at Appendix Four.

3.7.2 We have assumed that the property and its value are unaffected by any matters which would be revealed by a Local Search and replies to the usual enquiries or statutory notice and that neither the property, nor its condition, nor its use, nor its intended use is or will be unlawful. It is recommended that verification is obtained from acting solicitors that

- ☐ The position is correctly stated in this Report;
- ☐ The property is not adversely affected by any other decisions made or conditions prescribed by local authorities; and
- ☐ That there are no outstanding statutory notices

3.7.3 The valuation is prepared on the basis that the premises comply with all statutory regulations.

Planning

3.7.4 We have reviewed the Local Planning Authority's website regarding town planning matters that may affect the valuation. The property lies within the planning jurisdiction of West Lindsey District Council where planning decisions are governed by The Central Lincolnshire Local Plan 2012 – 2036 adopted in 2017.

3.7.5 The property is within Gainsborough Town Centre Conservation Area (GTCCA). The Draft GTCCA Character Appraisal (2019) has recently been published and will be subject to a formal consultation process before it is adopted.

3.7.6 5 -7 Market Place is a Grade II Listed Building under List Entry Number 1063521.

3.7.7 We have been unable to find any planning history for the property on the Council website.

3.7.8 In terms of neighbouring and nearby properties, we are not aware of any proposals for the former NatWest Bank next door. Planning consent was granted in March 2018 for change of use at 9 Market Place from retail to Class A3 for café use and Cooplands are in occupation for the sale of takeaway bakery products and eating in. We note that a planning application was submitted on 10th July 2019 for change of use at 4 Silver Street to convert the three upper floors into 4 x 1 bedroom and 1 x 2 bedroom Flats ranging in size from 428 sq ft to 715 sq ft. This is currently under consideration.

- 3.7.9 We have not made specific enquiries to verify this information, which is assumed to be correct. We do not accept liability for either incorrect information or for material omissions in the information obtained, including statutory notices or contraventions of statutory requirements.

Highways

- 3.7.10 We have been unable to establish whether there are any highway or major development proposals in the immediate area that may impact upon the value of the subject property. We assume there are none, but your solicitors should confirm as part of their normal Local Search enquiries. Given the nature and surfacing of Market Place we have assumed that it is a highway adopted and maintainable at public expense. Your solicitors should confirm in the normal way.

Fire Safety Order and Fire Risk Assessment

- 3.7.11 The Fire Safety Order applies to owners, occupiers, landlords, employers and anyone else with control of the premises, e.g. a facilities manager, building manager and managing agent of a business, or other non-domestic premises.
- 3.7.12 We have not made any enquiries in this regard and we have not been provided with a copy of the risk assessment, but in preparing our valuation have assumed that all necessary measures are in place and that no additional costs would be incurred in order to comply.
- 3.7.13 We recommend that your solicitor checks that the responsible party has fulfilled their obligations, including:
- carry out a fire risk assessment of the premises and review it regularly;
 - tell staff or their representatives about the risks you've identified;
 - put in place, and maintain, appropriate fire safety measures;
 - plan for an emergency;
 - provide staff information, fire safety instruction and training.

Smoke & Carbon Monoxide Alarm (England) Regulations 2015

- 3.7.14 These regulations came into effect on 1st October 2015. Premises occupied under an Assured Shorthold Tenancy (AST) must have:
- A smoke alarm on each storey of the premises on which there is a room used wholly or partly as living accommodation (including bathrooms and w.c.'s).
 - A carbon monoxide alarm in any room of the premises which is used wholly or partly as living accommodation and contains a solid fuel burning combustion appliance.

- 3.7.15 These alarms must be checked by or on behalf of the landlord to ensure that each prescribed alarm is in property working order on the day the AST begins if it is a new tenancy (as opposed to a renewal). Landlord are recommended to instruct the tenants (to include a reference within the AST) to check the alarms on a regular basis during their tenancy.

Equality Act 2010

- 3.7.16 The Equality Act encompasses the previous Disability Discrimination Act which deals with accessibility of premises and the workplace and seeks to limit discrimination in the terms of race, religion or physical ability. The Act seeks to ensure that disabled persons can access and acquire premises and that they are suitably adapted if for public workplace access. The Act places a Duty of Care on owners and physical changes to premises may be required for compliance purposes.
- 3.7.17 Whilst not experts in this field, the premises do not appear to comply with the above Act – but we make no provision within our valuation calculation for non-compliance.

Office, Shops & Railway Premises Act

- 3.7.18 We assume that, where appropriate, the property complies with this legislation.

Control of Asbestos At Work Act

- 3.7.19 We have not had sight of a written record in respect of the presence or otherwise of asbestos at the subject property. We presume that there are no costs outstanding in this regard.

Energy Performance Certificates (EPC)

- 3.7.20 The Energy Act 2011 provides for EPC minimum standards such that from 1 April 2018 it is unlawful to let residential or business premises that do not meet minimum energy efficiency standards. It is expected that the minimum threshold will be an EPC rating in Band E (i.e. it will be unlawful to let premises with an F or G rating).
- 3.7.21 From April 2020 privately rented residential properties will be affected (including where a lease is already in place and the property is occupied by a tenant) and from April 2023 all commercial properties let on existing leases will be similarly affected, subject to a number of exemptions.
- 3.7.22 We have consulted the online Non-Domestic Energy Performance Register and confirm there is no EPC lodged for the property. Listed Buildings are exempt from the legislation.

Sustainability

- 3.7.23 As the property market adjusts to new legislative requirements and the drive for more sustainable property assets, it is possible, in the future, that there will be an increasing divergence of values between those buildings which are considered to be compliant or "sustainable" and those which are not. Property investors and occupiers are becoming increasingly sensitive to a building's environmental and sustainability performance (e.g. BREEAM rating) with consequent implications for both rental and capital values.

- 3.7.24 At present, however, there is little consensus in market evidence or meaningful analysis of investment performance to enable any firm conclusions on to be drawn from the impact on capital and rental values of the various legislative initiatives and "sustainability" generally, but this may change.

Business Rates

- 3.7.25 Our enquiries with <https://www.tax.service.gov.uk/view-my-valuation/search> confirm that, as at the date of this report, the subject property has the following 2017 list entry:-

Address	Description	Rateable Value
5 – 7 Market Place Gainsborough Lincs DN21 2BP	Shop and Premises	£15,000

- Vacant Listed Buildings are not subject to a void rating charge.

- 3.7.26 In England the standard Uniform Business Rate (UBR) for the rating year 2019/2020 is 50.4 pence per £1.00 of rateable value and 49.1 pence per £1.00 for smaller businesses.
- 3.7.27 The actual rating liability may be subject to upwards/downwards transitional adjustment in accordance with regulations, which are made from time to time. We have not investigated the amount actually payable in respect of the subject property. In addition, some properties may benefit from a lower rate in the Pound if they are in receipt or are eligible for additional rates relief.

Council Tax

- 3.7.28 If the property is converted to provide residential accommodation on the upper floors, assessments will be required for Council Tax purposes and we assume these will be in line with the peer group.

3.8 Tenure

- 3.8.1 We have not been provided with any Title documentation. We understand that the property is owned freehold and we have assumed that the Title is unencumbered and free from any unusual or especially onerous or restrictive covenants, easements, restrictions, encumbrances, outgoings or rights of way which could affect value. This should be verified by your solicitors.
- 3.8.2 There is pedestrian access leading to the rear of the property. We understand that a neighbouring property benefits from a fire escape route across the land and this should be verified by your solicitors.

3.9 Occupation

- 3.9.1 We are valuing on the basis of vacant possession and can confirm that there was no indication of any part of the subject property being let out to a third party.

4. The Valuation

4.1 Factors Affecting Value

- 4.1.1 The property is situated in the historic Market Place within the town centre.
- 4.1.2 The building is Grade II Listed and it may be possible to retain/incorporate some period features into a conversion of the upper floors.
- 4.1.3 Structural repairs need to be undertaken in addition to the reconfiguration and refurbishment work. we have assumed the property will be in good mortgageable condition following completion of the work.
- 4.1.4 The property is freehold. If sales of individual parts are pursued, appropriate leasehold interests and a Management Company will need to be created. We assume that any leaseholds created will restrict the ground rents and possibly fix them at a peppercorn in line with anticipated Government intervention and the terms will be for 125/150 years minimum.
- 4.1.5 There is usually a new build premium for purpose built flats and conversions which is unlikely to be maintained after they have been occupied for the first time.
- 4.1.6 A sale of the entirety and of the three flats together will in our opinion attract a discount to reflect risk.

4.2 Market Conditions & Demand

Retail Market

- 4.2.1 The Q2 2019 RICS UK Commercial Property Market Survey results show the retail sector continuing to display firmly negative sentiment in the face of the structural shift towards increased online spending.
- 4.2.2 In the occupier market, the tenant demand indicator remained in negative territory for a fifth quarter in succession at the headline level, with the net balance reading of -59% in the retail sector being again responsible for pulling the all-sector average below zero.
- 4.2.3 In terms of availability, unsurprisingly, the retail sector posted the most significant rise compared to other sectors of the market, with a net balance of +52% of survey participants reporting an increase (the most elevated figure since Q2 2009). As a result, retail landlords raised the value of incentive packages on offer to tenants and expectations are for a decline in rental levels. Over the next 12 months, prime and secondary retail rents are anticipated to be falling by around 3.5% and 7% respectively.
- 4.2.4 The supply of available retail property increased in this quarter and over the next 12 months retail capital value projections remain in negative territory.
- 4.2.5 The national retail property market remained subdued throughout 2018 and the start of 2019. This is a likely reflection of the political, financial and cultural challenges the UK faces in the medium to long-term future. Uncertainty continues to be a catalysis for retailers' cautiousness.
- 4.2.6 The high street in many places has continued to decline, with out of town retail parks/shopping outlets, continuing to draw a bigger pull.
- 4.2.7 We have seen, over the past 12 months, the collapse of several retailers such as House of Fraser, L K Bennett, Bathstore and Debenhams to name a few, with many of the larger retailers such as M & S and Mothercare announcing closures of many of their stores during 2019. It has been reported that footfall has been decreasing by 1% per year, The Chancellor's budget has included a tax on digital/technological companies functioning in the UK by an extra 2%, which is set to start in April 2020.
- 4.2.8 Occupiers remain cautious with regards to new leases, often opting to 'stay put' at competitive terms rather than relocate. Where new occupancies have been agreed terms are tenant friendly, with tenant options to break and longer rent-free periods.
- 4.2.9 In terms of the subject property, over the medium to long term we consider that tenant demand is likely to remain static. This unit is situated in a good secondary location within Gainsborough, but due to the limited floor area it is likely to attract mainly independent retailers. Should the property be marketed to let, we consider that it would take 6-12 months to secure a new tenant.

Demand would likely be for a lease of 3-5 years, or longer subject to tenant break options, and we consider that a maximum rent-free period of 6-9 months is likely to apply in the current market. In terms of the marketing period, we have reflected the fact that the landlord is likely to be aware the tenant is vacating before possession is obtained. For a sale of the retail unit, we consider that a marketing period of 6-9 months will be required to secure a disposal.

Residential Market

- 4.2.10 The July 2019 RICS Residential Market Survey results show some of the improvement seen in near term expectations series last month has been partly reversed this time out. In particular, the outlook for prices three months ahead has turned slightly negative once more, while respondents envisage sales remaining flat over the same time frame. That said, new buyer enquiries picked up slightly for the second consecutive month, although this has yet to feed into any meaningful increase in agreed sales.

- 4.2.11 Starting with new buyer demand, a headline net balance of +8% of contributors reported an increase in enquiries during July. This marks the second report running in which a small increase has been cited (net balance was +10% in June), with the disaggregated data showing a slightly positive trend in the majority of UK regions.

- 4.2.12 Despite the modest improvement in demand, newly agreed sales edged down a fraction across the UK over the month. Indeed, the national net balance slipped to -6%, from +3% in June. Notwithstanding this, some regions saw a stronger sales trend, with respondents across the North East and the West Midlands in particular reporting a reasonably solid pick-up during July.

- 4.2.13 Looking ahead, near term sales expectations eased back into neutral territory, posting a net balance of -2% (down from +6% in June). What's more, sentiment is now only modestly positive regarding the twelve month outlook, with a national net balance of just +12% of respondents expecting sales to rise over the year ahead. When broken down, survey participants across the North East, North West, Wales and the West Midlands are more optimistic than the national average, as each area displays comfortably positive sales projections for the next twelve months.

- 4.2.14 Alongside this, new instructions to sell were seen as unchanged for the second successive report. This follows a string of eleven consecutive monthly declines in fresh listings beforehand. Even so, respondents continue to report that the volume of market appraisals undertaken over the month was down on the same period of last year. Accordingly, it seems there is little prospect of a sustained rise in supply coming onto the market in the immediate future.

- 4.2.15 Meanwhile, the survey's headline price indicator pulled back into negative territory in July, with the national net balance falling to -9% (having edged up to -1% in June). Nevertheless, contributors report that prices are rising at a solid pace in Northern Ireland, Scotland and Wales. By way of contrast, prices continue to fall in London, the South East and East Anglia.

- 4.2.16 Back at the national level, feedback from contributors is still suggesting that higher priced tiers of the market are facing a more challenging environment. 69% of respondents note that, for properties marketed at over £1m, sales prices are coming in below asking prices (up from 66% in April). However, for properties listed at up to £500k and below, 59% of survey participants report sales prices have been at least level with asking (albeit this is slightly down on 62% three months ago).
- 4.2.17 When it comes to the outlook for prices, near term expectations deteriorated over the month, as the headline net balance fell to -12% from zero in June. Further out, at the twelve month horizon, projections remain marginally positive in net balance terms, with the latest reading coming in at +9%. That said, this latest figure is noticeably softer than +25% returned previously. At the regional level, the current downward trend in prices is now expected to persist over the coming twelve months in London, the South East and East Anglia. At the other end of the scale, respondents envisage strong annual growth in prices across Scotland, Northern Ireland and Wales.
- 4.2.18 In the lettings market, the headline tenant demand indicator (quarterly seasonally adjusted data) picked-up to post the strongest reading since the closing stages of 2016. At the same time, landlord instructions fell once again, extending a run of continuous decline stretching back over the past thirteen quarters. Given the current imbalance between supply and demand, near term rental growth expectations were driven higher, with the headline net balance of +25% in July representing the most elevated reading in twelve quarters.
- 4.2.19 In our opinion it will be necessary to allow a marketing period of 6-9 months to secure sales of the flats individually and as a single lot. For lettings, we consider that a marketing period of 2-3 months will be sufficient to achieve lettings.
- 4.2.20 The uncertainties surrounding the UK's departure from the European Union ("Brexit") could have significant effects on the subject property in the form of inflated development costs (in the case of the UK reverting to WTO trading rules with the European Union). The ongoing uncertainty could also cause the market for the completed apartments to fluctuate. The Market Value reported herein reflects the situation and the associated market sentiment as at the valuation date. As the subject property comprises a development opportunity for which planning consent is in place, and the anticipated development timescale to leave the European Union has already been extended and may be extended further. Any change in the UK's relationship with the European Union from the status quo has the potential to disrupt the development process. This risk goes two ways. Anecdotal evidence suggests that the uncertainty since the Brexit referendum in July 2016 has already impacted on inflation and the wider economy. If Brexit were to be cancelled or significantly delayed, or if Brexit were to be very soft (with the trading relationship between the UK and European Union largely unaffected) then this could counteract these effects to some degree.

4.3 Comparable Evidence

Capital Value Evidence and Analysis

Retail

4.3.1 11 Church Street, Gainsborough

Ground floor retail of 384 sq ft and first floor ancillary space of 313 sq ft. Relatively modern property. Freehold sold July 2017 for £77,500.

4.3.2 27 Market Place, Gainsborough

Ground floor retail of 446 sq ft and ancillary upper floors of 725 sq ft. Freehold sold May 2016 for £75,000 subject to a tenancy to SFL (Yorkshire) Ltd for 5 years from August 2012 at a rent of £10,000 per annum.

4.3.3 33 Market Street, Gainsborough

Ground floor retail of 317 sq ft plus ancillary space of 80 sq ft and ancillary upper floors of 879 sq ft. Freehold sold in August 2016 for £57,500.

4.3.4 35 Lord Street, Gainsborough

Vacant public house extending to 2,064 sq ft over three floors and including rear car park. Offered for sale at The Allsop auction on 9th July 2019 at a guide price of £60,000 plus. Sale agreed post auction at an undisclosed price.

4.3.5 11-13 Market Street, Gainsborough

Former Santander branch with ground floor retail of 705 sq ft plus ancillary space of 837 sq ft and first floor office of 1,081 sq ft. Offers invited in excess of £135,000 with SKA occupying the first floor at a rent of £4,750 per annum (holding over) and subletting part to Riverside Training Services. A sale of the property has been agreed at a confidential price.

Residential

4.3.6 Flat 2, Granary Wharf, Bridge Street, Gainsborough

Purpose built two bedroom third floor flat with ensuite and bathroom, roof terrace and lift access. 580 sq ft approximately. Sold 27th November 2018 at £108,000.

4.3.7 Flat 2, Furleys Wharf, Bridge Street, Gainsborough

Ground floor conversion. Two bedrooms, kitchen, lounge/dining room and bathroom with parking space. 535 sq ft approximately. Sold 19th October 2018 for £71,000.

4.3.8 Flat 20, Granary Wharf, Bridge Street, Gainsborough

Purpose built two bedroom second floor flat with ensuite, bathroom, lift access and parking space. 667 sq ft approximately. Sold 12th April 2019 for £77,000.

4.3.9 24 Peacock Place, Gainsborough

Purpose built two bedroom second floor flat with lounge/kitchen/dining room, bathroom and parking space. 617 sq ft approximately. Sold 20th July 2018 for £69,000.

Rental Value Evidence and Analysis

Retail

4.3.10 9 Market Place, Gainsborough

Ground floor retail of 3,000 sq ft plus ancillary storage of 273 sq ft let to Cooplands in February 2018 on confidential terms. The asking rent was £23,000 per annum.

4.3.11 38 Market Place, Gainsborough

Ground floor retail of 685 sq ft, plus upper floor ancillary space of 1,167 sq ft. Let to Vapetropolis in October 2017 at a rent of £17,950 per annum with 6 months rent free.

4.3.12 WLDC Church Street Portfolio, Gainsborough

We are aware that the following rents are payable:

10 Church Street	£14.18 ITZA from May 2016
14 Church Street	£17.14 ITZA (441 sq ft)
26 Church Street	£15.70 ITZA from April 2017

4.3.13 4a Church Street, Gainsborough

Slightly smaller ground floor than 14 Church Street with additional first and second floor accommodation. Let in July 2018 at £8,120 per annum.

4.3.14 4 Silver Street, Gainsborough

Ground floor retail of 1,367 sq ft plus ancillary space of 253 sq ft (former Cooplands). Asking rent £19,500 per annum.

Residential

4.3.15 Furleys Wharf, Gainsborough

Two bedroom ground floor flat in a warehouse conversion with lounge/dining room, kitchen, Jack and Jill bathroom, electric heating, double glazing and a parking space. Let in July 2019 at £450 pcm.

4.3.16 Granary Wharf, Bridge Street, Gainsborough

Purpose built two bedroom second floor flat with lounge/kitchen/dining room, ensuite shower room, bathroom and lift access. 667 sq ft approximately. Let in July 2019 at £440 pcm.

4.3.17 Bridge Street, Gainsborough

Two bedroom third floor flat in a Mill conversion with lounge/kitchen, Jack and Jill bathroom and parking space. Let in April 2019 at £425 pcm.

4.4 Valuation Methodology

- 4.4.1 We are valuing the property using the comparable method of valuation.
- 4.4.2 We have considered sales and lettings of similar property types in Gainsborough together with details of properties which are still on the market.
- 4.4.3 Due to the compact nature of the town centre and market conditions over rent years, there are a limited number of comparables, particularly for flats over shops and for lock up shop sales. We have therefore made appropriate adjustments to some of the more historic evidence and reflected details of accommodation, location and availability of onsite parking to inform our opinion of value. Our valuation should therefore be regarded as subjective to some extent.
- 4.4.4 The available floorspace in the retail shop is compromised to some extent by the location of the disabled toilet and the floor area is also reduced. The floor area utilised by us, includes the area for the inset entrance door which is customary as the shopfront could be level with the façade if desired. We have applied a rent of £15 psf to the ITZA figure.
- 4.4.5 In our opinion the proposed flats without ensembles, would command a rent of £425 pcm each and those with ensembles would command a rent of £450 pcm each.
- 4.4.6 For a sale of the entire property and the flats as a single lot, we have applied a discount of approximately 15% to the aggregate values, to reflect risk, acquisition and holding costs for a purchaser.
- 4.4.7 No allowance has been made for costs of acquisition or realisation of the property, nor for any liability for taxation which may arise on disposal whether actual or notional, e.g. VAT, Inheritance Tax or Capital Gains Tax. Unless stated to the contrary it is assumed that where there is an imposition or otherwise of VAT on the rent that the lessee will be able to fully reclaim the VAT paid.

4.5 Verification

- 4.5.1 This report has been based, to some extent, on information provided verbally which should be checked by your solicitors. In particular, this applies to tenure and planning. Their searches may also reveal whether any historical use of the property is likely to have resulted in contamination or whether there are any encumbrances or other third party rights affecting the title or use of the property. If any assumption we have made proves incorrect the matter should be referred back to us as it may have an impact on the value of the property and its suitability as loan security.

4.6 Valuation Definitions

Market Value

- 4.6.1 “The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”

Market Rent

- 4.6.2 “The estimated amount for which an interest in real property should be leased on the date of valuation between a willing lessor and a willing lessee on appropriate lease terms, in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”

4.7 Valuation

Scheme 1 – single bathroom Flats

- 4.7.1 In our opinion the Market Value of the subject property as at 22nd August 2019 on the assumption that a comprehensive conversion and refurbishment scheme has been satisfactorily completed, freehold with vacant possession throughout and subject to the assumptions and comments in this Report and Appendices was **£250,000 (Two Hundred and Fifty Thousand Pounds)**.

- 4.7.2 In our opinion the Market Value of the individual Flats as at 22nd August 2019 on the assumption that a comprehensive conversion and refurbishment scheme has been satisfactorily completed, leasehold with vacant possession throughout and subject to the assumptions and comments in this Report and Appendices was **£80,000 (Eighty Thousand Pounds) each**.

- 4.7.3 In our opinion the Market Value of the Flats as a single Lot as at 22nd August 2019 on the assumption that a comprehensive conversion and refurbishment scheme has been satisfactorily completed, leasehold with vacant possession throughout and subject to the assumptions and comments in this Report and Appendices was **£200,000 (Two Hundred Thousand Pounds)**.

- 4.7.4 In our opinion the Market Rent of the Flats as at 22nd August 2019 on the assumption that a comprehensive conversion and refurbishment scheme has been satisfactorily completed and standard Assured Shorthold Tenancies are in place for a minimum term of 6 months and subject to the assumptions and comments in this Report and Appendices was **£15,300 (Fifteen Thousand Three Hundred Pounds) per annum exclusive**.

- 4.7.5 In our opinion the Market Value of the Ground Floor Retail unit as at 22nd August 2019 on the assumption that a comprehensive conversion and refurbishment scheme has been satisfactorily

completed, freehold with vacant possession throughout and subject to the assumptions and comments in this Report and Appendices was **£50,000 (Fifty Thousand Pounds)**.

- 4.7.6 In our opinion the Market Rent of the Ground Floor Retail unit as at 22nd August 2019 on the assumption that a comprehensive conversion and refurbishment scheme has been satisfactorily completed and a lease is in place for a minimum term of 6 months and subject to the assumptions and comments in this Report and Appendices was **£6,000 (Six Thousand Pounds) per annum exclusive**.

Scheme 2 – bathroom and ensuite shower room Flats

- 4.7.7 In our opinion the Market Value of the subject property as at 22nd August 2019 on the assumption that a comprehensive conversion and refurbishment scheme has been satisfactorily completed, freehold with vacant possession throughout and subject to the assumptions and comments in this Report and Appendices was **£265,000 (Two Hundred and Sixty Five Thousand Pounds)**.
- 4.7.8 In our opinion the Market Value of the individual Flats as at 22nd August 2019 on the assumption that a comprehensive conversion and refurbishment scheme has been satisfactorily completed, leasehold with vacant possession throughout and subject to the assumptions and comments in this Report and Appendices was **£85,000 (Eighty Five Thousand Pounds) each**.
- 4.7.9 In our opinion the Market Value of the Flats as a single Lot as at 22nd August 2019 on the assumption that a comprehensive conversion and refurbishment scheme has been satisfactorily completed, leasehold with vacant possession throughout and subject to the assumptions and comments in this Report and Appendices was **£215,000 (Two Hundred and Fifteen Thousand Pounds)**.
- 4.7.10 In our opinion the Market Rent of the Flats as at 22nd August 2019 on the assumption that a comprehensive conversion and refurbishment scheme has been satisfactorily completed and standard Assured Shorthold Tenancies are in place for a minimum term of 6 months and subject to the assumptions and comments in this Report and Appendices was **£16,200 (Sixteen Thousand Two Hundred Pounds) per annum exclusive**.
- 4.7.11 The uncertainties surrounding the UK's departure from the European Union ("Brexit") could have significant effects on the subject property in the form of inflated development costs (in the case of the UK reverting to WTO trading rules with the European Union). The ongoing uncertainty could also cause the market for the completed apartments to fluctuate. The Market Value reported herein reflects the situation and the associated market sentiment as at the valuation date. As the subject property comprises a development opportunity for which planning consent is in place, and the anticipated development timescale to leave the European Union has already been extended and may be extended further. Any change in the UK's relationship with the European Union from the status quo has the potential to disrupt the development process. This risk goes two ways.

Anecdotal evidence suggests that the uncertainty since the Brexit referendum in July 2016 has already impacted on inflation and the wider economy. If Brexit were to be cancelled or significantly delayed, or if Brexit were to be very soft (with the trading relationship between the UK and European Union largely unaffected) then this could counteract these effects to some degree.

We trust that this report is satisfactory for your immediate purposes but, should any matter require further clarification, we shall be pleased to hear from you. We would reiterate that neither the whole nor any part of this Valuation Report may be included in any published document, circular or statement nor published in any way without our written approval of the form and context in which it may appear.

Valuer:

**Geoff Solman BSc MRICS
RICS Registered Valuer
For and on behalf of
Bruton Knowles LLP**

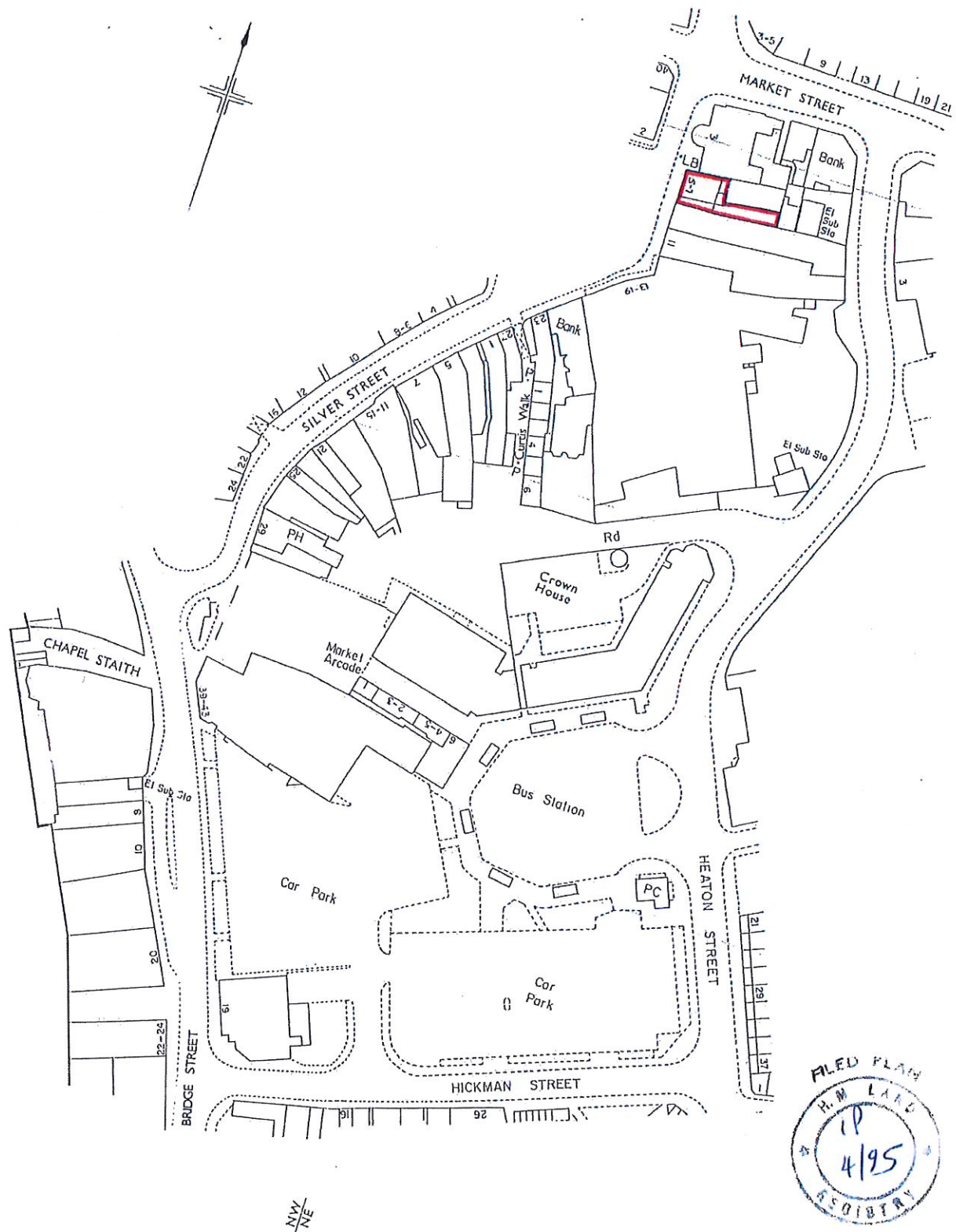
Approving Officer:

**James Bailey BSc (Hons) FRICS
RICS Registered Valuer
For and on behalf of
Bruton Knowles LLP**

Appendix One

Location and Site Plans

H.M. LAND REGISTRY		TITLE NUMBER	
		LL 114833	
ORDNANCE SURVEY PLAN REFERENCE	SK 8189	SECTION P	Scale 1/1250
COUNTY LINCOLNSHIRE	DISTRICT WEST LINDSEY	© Crown copyright 1987	

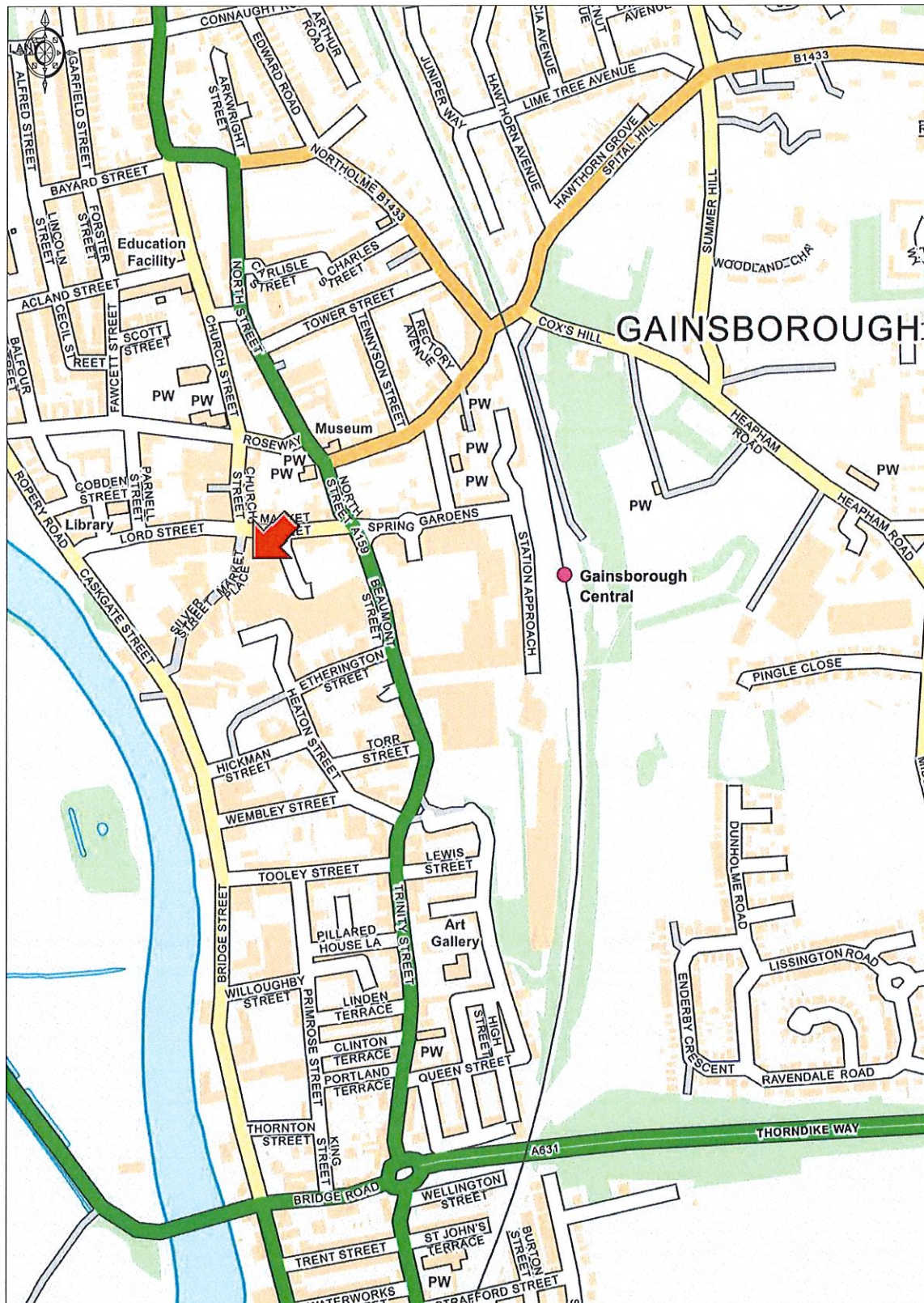


LOCATION MAP

5-7 Market Place, Gainsborough.

BK Bruton Knowles

est.1862



Ordnance Survey © Crown Copyright 2019. All rights reserved.
Licence number 100022432. Plotted Scale - 1:7500

Promap
LANDMARK INFORMATION GROUP

Prepared by Bruton Knowles,
for Identification Purposes Only

Appendix Two

Photographs

PHOTOGRAPHS

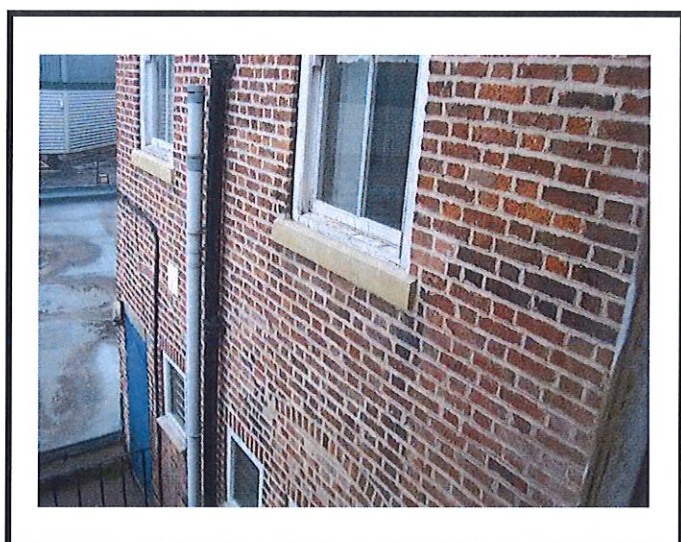
5-7 Market Place, Gainsborough, DN21 2BP



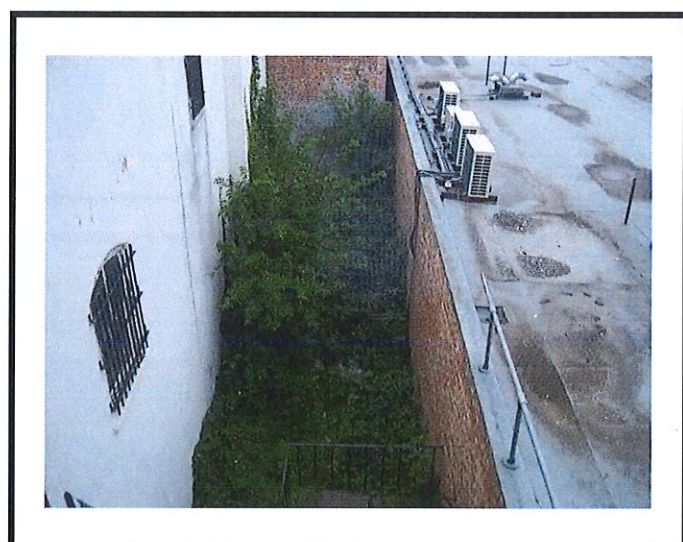
Front Elevation



Rear Elevation



Rear Elevation



Rear Land

PHOTOGRAPHS

5-7 Market Place, Gainsborough, DN21 2BP



Ground Floor



First Floor



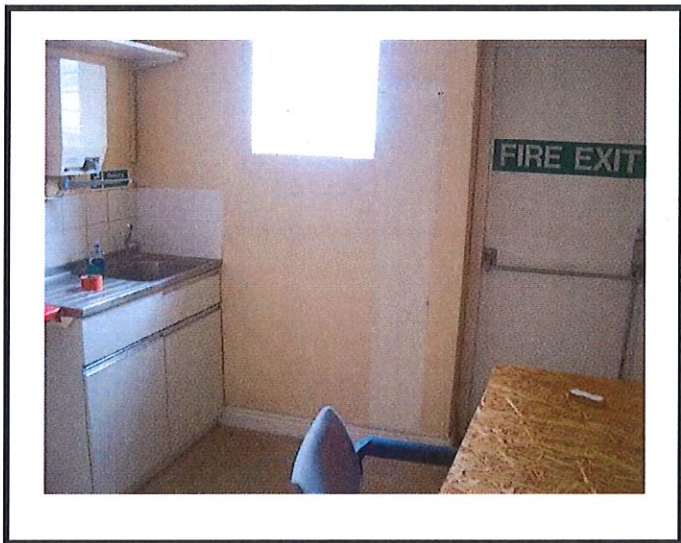
Second Floor



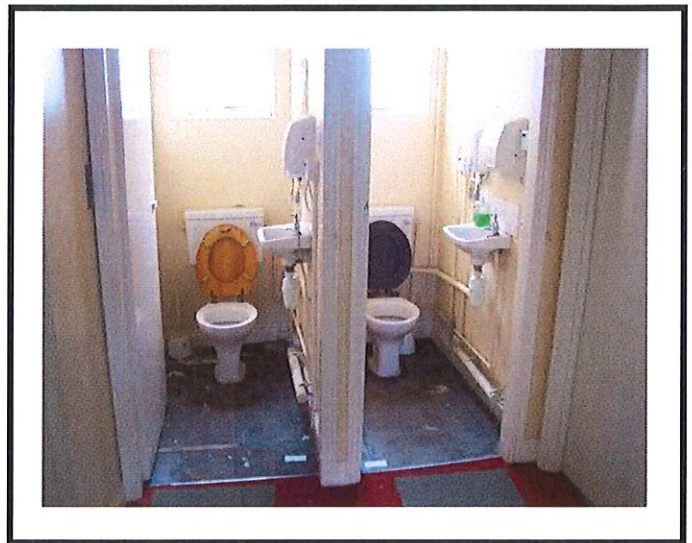
Third Floor

PHOTOGRAPHS

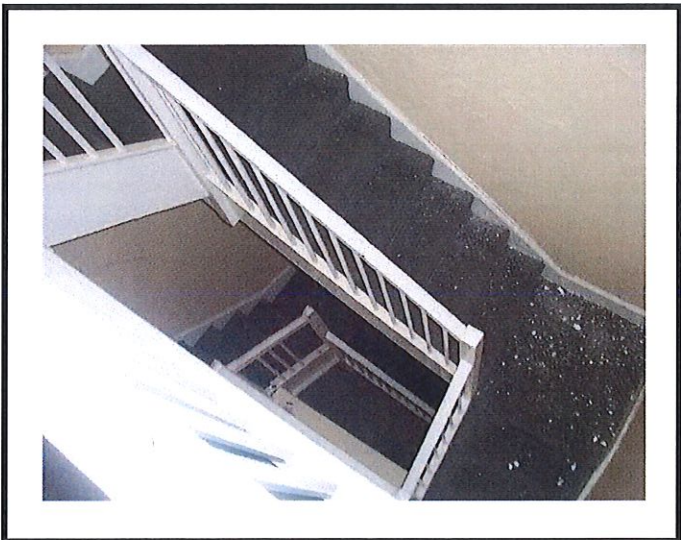
5-7 Market Place, Gainsborough, DN21 2BP



Kitchen



Toilets



Main Stairwell



Second Stairwell

Appendix Three

Purchase Order



PURCHASE ORDER

West Lindsey District Council
Guildhall, Marshalls Yard, Gainsborough, Lincs DN21 2NA

www.west-lindsey.gov.uk

Supplier BRUTON KNOWLES BISLEY HOUSE GREEN FARM BUSINESS PARK BRISTOL ROAD GLOUCESTER GL2 4LY Supplier Number : 701718	Order No: SG00006738 Required by: Reference Number Date: 19/08/2019
---	--

Invoice Address West Lindsey District Council Procurement Team Guildhall Marshalls Yard Gainsborough Lincs, DN21 2NA 01427 676539 Procurement.Team@West-Lindsey.gov.uk	Delivery Address Attention of Wendy Osgodby Procurement Team West Lindsey District Council Guildhall, Marshalls Yard Gainsborough Lincolnshire DN21 2NA
--	--

Notes	Contact Details Wendy Osgodby Tel: 01427 676636 Email: wendy.osgodby@west-lindsey.gov.uk
--------------	---

Line No.	Qty	UOM	Product code	Description	Unit Cost (£)	Order Value (£)
1	1.00		Service Item	Valuations for 5-7 Market Place, Gainsborough		

Issued By: Wendy Osgodby	Authorised By: Diane Leslie	Total Order Value
---------------------------------	------------------------------------	--------------------------

Please refer to our website for the Council's terms and conditions of purchase and any special terms and / or instructions therein. All invoices MUST quote the purchase order number.

Appendix Four

Standard Terms and Conditions of Engagement

Standard Terms & Conditions of Engagement

1 R.I.C.S. Valuation Standards

Our valuation has been made in accordance with the RICS Valuation – Global Standards 2017, this firm being independent Valuers as defined in the manual.

2 Basis/Bases of Valuation

In accordance with your instructions, our valuation has been prepared under one or more of the following bases of valuation.

Market Value (MV) is :-

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

The interpretative commentary contained within Valuation Technical and Performance Standard 4 (VPS4) of the RICS Valuation – Global Standards 2017 forms an integral part of this definition.

Market Rent (MR) is :-

"The estimated amount for which an interest in real property should be leased on the date of valuation between a willing lessor and a willing lessee on appropriate lease terms in an arm's-length transaction after proper marketing and where the parties had acted knowledgeably, prudently and without compulsion."

The interpretative commentary contained within VPS4 of the RICS Valuation – Global Standards 2017 forms an integral part of this definition.

Existing Use Value (EUV) is :-

"The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction, after proper marketing wherein the parties had acted knowledgeably, prudently and without compulsion, assuming that the buyer is granted vacant possession of all parts of the property required by the business and disregarding potential alternative uses and any other characteristics of the property that would cause its Market Value to differ from that needed to replace the remaining service potential at least cost."

Fair Value (FV) is :-

The definition adopted by the International Accounting Standards Board (IASB) in IFRS 13:

The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The interpretative commentary contained within VPS4 of the RICS Valuation – Global Standards 2017 forms an integral part of this definition.

Market Value having regard to Trading Potential is :-

Defined in VGPA4 of RICS Valuation – Global Standards 2017 and a trade related property is considered to be an individual trading entity and is typically valued on the assumption that there will be a continuation of trading.

3 Scope & Title

We have not carried out formal searches of Local Authority Registers or on Title and it has therefore been assumed that no onerous or restrictive covenants attach to Title. You should rely on your solicitor in these matters and we reserve the right to amend our valuation should any encumbrance be shown to materially affect the value of the property. For owner occupied properties, our valuation assumes vacant possession would be given by the vendor upon completion of a disposal. For tenanted premises, our valuation is subject to the information on tenancies contained within our Report unless otherwise stated. Our valuation is made on the assumption that information given to us, either verbally or in writing by the Bank, your representatives or from any official sources (including, where relevant, the Borrower, the vendor, the selling agents and the Local Authority), is capable of formal substantiation. Our valuation also assumes that the property is free from any borrowings or encumbrances, unless otherwise stated.

4 Condition

We have not carried out a building survey or tested services, nor have we inspected those parts of the property which are covered, unexposed or inaccessible and such parts have been assumed to be in good repair and condition. We cannot express an opinion about, or advise upon, the condition of uninspected parts and our Report should not be taken as making any implied representation or statement about such parts. We have not arranged for any investigations to be carried out to determine whether or not any deleterious or hazardous material has been used in the construction of the property, or has since been incorporated, and we are therefore unable to report that the property is free from risk in this respect. For the purpose of our valuation we have assumed that such investigation would not disclose the presence of any such material to any significant extent.

With specific regard to the Control of Asbestos Regulations 2006, we will reflect the content of any written risk assessment provided, however where a risk assessment has not been carried out or is not available, we will assume that a risk assessment would not reveal any matters which could affect value.

We are under no duty to and have not a) moved anything; b) used a moisture detecting meter; c) arranged for the testing of electrical, heating or other service installations; or d) carried out an environmental audit. We have also assumed that no radon gas is present at the property. Unless stated to the contrary, no investigations have been carried out to determine whether the site has a history of instability and we are, therefore, unable to report that the property is free from risk in this respect. We have assumed, for the purpose of the valuation, that such investigation would not disclose the presence of any such problems

5 Contamination

We will not identify the existence of contamination unless either reports have been made available to us in this respect or, during the course of our inspection, we conclude that there may be material contamination at the property or on any neighbouring land. In the latter case we will report this possible contamination immediately with a view to a decision being taken as to whether the valuation instructions are to be amended. Otherwise, our valuation has been undertaken on the assumption that no contaminative or potentially contaminative uses have ever been carried out on the property. Should it be established subsequently that contamination does exist at the property or on any neighbouring land, or that the premises have been or are being put to any contaminative use, this might reduce the values reported.

6 Local Authority Enquiries

Where appropriate, verbal enquiries have been made of the local authority and unless otherwise stated, we have assumed that there are no planning proposals, highway improvements or compulsory acquisition schemes likely to affect value. We have also assumed planning consent and all other statutory requirements have been obtained and complied with for the erection and occupation of the building. Formal searches have not been made and we reserve the right to amend our valuation should information at variance to these assumptions be forthcoming. No allowance has been made for rights, obligations or liabilities arising from the Defective Premises Act 1972 or the Disability Discrimination Act 1995.

7 Fixtures & Fittings and Plant and Machinery

Unless stated to the contrary, our valuation has excluded any element of goodwill, trade equipment and moveable fixtures and fittings attached to the property. We have also excluded any stock associated with the business. Our valuation includes only such items as form part of the normal building services installations and any items in the nature of specialist or the present occupiers process plant and machinery have been excluded. No equipment or fixtures and fittings have been tested in respect of Electrical Equipment Regulations and Gas Safety Regulations and we assume that where appropriate all such equipment meets the necessary legislation.

8 Sources, Extent and Non-Disclosure of Information

In preparing our valuation we have relied upon such information as has been provided by the client or building occupier in respect of tenure, tenancies, planning consent and any other relevant information. Where leases or other documents have been produced to us, our Report so states. Otherwise, such information should be verified and in the event of significant variation from the information initially given to us, our valuation could require adjustment.

9 VAT, Taxation and Costs of Acquisition or Realisation

No allowance has been made for costs of acquisition or realisation of the property, nor for any liability for taxation which may arise on disposal whether actual or notional, e.g. VAT, Inheritance Tax or Capital Gains Tax. Unless stated to the contrary it is assumed that where there is an imposition or otherwise of VAT on the rent that the lessee will be able to fully reclaim the VAT paid.

10. Reinstatement Cost

Where we have been requested to provide our opinion of the buildings' reinstatement cost, we confirm that we have not carried out a formal estimate of the reinstatement value of the premises. The figure provided is for guidance purposes only and we recommend that a formal assessment is obtained from a specialist insurance valuer if insurance cover is to be effected. However, our informal estimate is inclusive of site clearance, demolition, statutory and professional fees but excludes VAT, loss of rent, the cost of alternative accommodation for the reinstatement period and inflation during the policy year or the rebuilding period.

11. Future Prospects

Where our Report contains any statement as to the prospect of future growth in rental and/or capital values, it should be appreciated that such growth may not occur and that the values can fall as well as rise.

12. Disclaimer

Our valuation is provided only for the purpose agreed with the instructing client and will be for the sole use of the client. As such, it is confidential to the client and his professional advisers. We accept responsibility to the client alone that the report has been prepared with the skill, care and diligence which may reasonably be expected of a competent valuer but accept no responsibility whatsoever to any other person who relies upon the report at his own risk. Neither the whole nor any part of the Valuation Report may be included in any published document, circular or statement nor published in any way without our written approval of the form and context in which it may appear. We undertake all services only on the basis of these terms which shall apply to the exclusion of any other terms and conditions which the client may seek to impose. No variation of these terms shall be binding unless agreed in writing by an authorised representative of BK and the client.

Where we are providing one or more valuations of a property or properties ("the Property"), in circumstances where you have already made a loan secured (whether wholly or partially) against the Property, and you make further loan or loans secured on the Property in reliance of our valuation(s), our liability to you for any loss that you incur arising from our valuation(s) will be limited to the lesser of: (1) the further sum (if any) that you lend in reliance of our valuation(s); or (2) the difference between our valuation(s) and the true value of the Property at the date of our valuation(s). This limitation of liability applies irrespective of whether, in making a loan based on our valuation(s), you have released the original charge and executed a new charge, or lent additional sums against the original charge. We will not be liable for any loss arising from the original loan (including any extensions to that loan prior to our valuation(s)) that you made, secured by the Property, unless: (1) We carried out the original valuation(s) of the Property; (2) You made the original loan in reliance of our valuation(s); and (3) Our original valuation(s) was negligent.

Appendix Five

Proposed Floor Plans



 1-800-393-6643
 www.mhhe.com
 ISBN 0-07-305131-1
 Copyright 2004 The McGraw-Hill Companies, Inc.
 All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording, or by any information storage or retrieval system, without prior written permission from The McGraw-Hill Companies, Inc.



Red lines denote furthest point in flat to protected stair

First floor 7.7m from stair core
Second floor 11.5m from stair core
Third floor 11.5m from stair core

Query on compliance

Bathrooms on second and third floor could be considered inner, inner rooms with escape via the kitchens. This does not accord with Part B 3.17 and 3.8



Alternative option removes existing stair core to consolidate vertical circulation to rear of the building. This allows circulation spaces to be removed from front portion of building and relocated within tertiary green space of lower significance.



Note.—floor plans and arrangements are indicative and taken from existing PDF plans. Measure Building survey required to check dimensions and viability of options. floor heights have been assumed as above.



**Overview and Scrutiny
Committee**

**Tuesday 12th November
2019**

Subject: Selective Licensing – Annual Review

Report by:

Executive Director of Operations

Contact Officer:

Andy Gray
Housing and Enforcement Manager

andy.gray@west-lindsey.gov.uk

Purpose / Summary:

To provide Overview and Scrutiny Committee with an annual update in relation to the Selective Licensing Scheme within the Gainsborough South West Ward.

RECOMMENDATION(S):

Elected Members are asked to:

- a) To provide pre-scrutiny comments in advance of Prosperous Communities Committee**

IMPLICATIONS

Legal:

The legal basis for the introduction of the selective licensing scheme can be located within the Prosperous Communities Committee report from 22nd March 2016.

Financial : FIN/118/20/SL

Section 3 provides an overview of the financial information relating to the scheme.

No financial implications arising from this report.

Staffing :

Equality and Diversity including Human Rights :

The designation for the scheme has been set out in accordance with the Housing Act.

Risk Assessment :

Climate Related Risks and Opportunities :

Title and Location of any Background Papers used in the preparation of this report:

Prosperous Communities Committee report 22nd March 2016

Prosperous Communities Committee report 21st March 2017

Prosperous Communities Committee report 24th October 2017

Prosperous Communities Committee report 4th December 2018

<https://www.west-lindsey.gov.uk/my-council/decision-making-and-council-meetings/meetings-agendas-minutes-and-reports/prosperous-communities-committee/prosperous-communities-committee-reports/>

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

☐

No

☐

Key Decision:

A matter which affects two or more wards, or has
significant financial implications

Yes

☐

No

☐

1. Introduction

- 1.1. The Selective Licensing scheme in the Gainsborough South West Ward was approved at Prosperous Communities Committee on the 22nd March 2016. The scheme then came into force on the 18th of July 2016 for a five year period.
- 1.2. This report provides an update in regards to the progress of the scheme and outlines the current position, the main areas of work undertaken to date and provides the timescales and objectives for the future phases.
- 1.3. This paper does not go into the background of the scheme or how it came to be in effect as this has been covered within previous committee papers.
- 1.4. It should be noted that the scheme was designated on the basis that the area concerned was experiencing a significant and persistent problem in regards to anti-social behaviour.

2. Current Position

- 2.1. There are currently 648 licenses that have been granted within the designated area and a further 48 applications in progress. Based on our current estimation of remaining unlicensed properties there are circa 90% of properties now licensed within the area.
- 2.2. The original estimation for the number of licensed properties was 550. The scheme has demonstrated that there are actually far more than this and it is estimated that over 700 will be licensed before the designation ends.
- 2.3. There are currently 29 unlicensed properties that the Council are aware of, however this number does fluctuate based on the proactive work that is being undertaken to review each street and the properties it contains.
- 2.4. From April – September 2019 there has been an average of 45 applications in progress in any one month. These originate mainly from the identification of unlicensed properties and new licenses applied for from new property landlords.
- 2.5. There are on average 27 housing disrepair cases open with the South West Ward in the year to date. This number has reduced dramatically since the inception of the scheme from 64 in 17/18 and 34 in 18/19. Whilst there will always be an open caseload for this area, the licensing scheme is helping to ensure that general property standards improve resulting in less disrepair issues.

2.6. The table below provides an overview on the current position:

	The Home Safe Scheme		West Lindsey District Council	
	Properties	Applicants	Properties	Applicants
Applications*	541	298	121	80
Draft Licences	568		97	
Full Licences	557		91	
Exemptions (full)	n/a	n/a	25	11
Exemptions (temporary)	n/a	n/a	None currently in effect.	
<i>*live applications, not including applications which have been cancelled or terminated</i>				

3. Financial Information

3.1. The Council has to date received £109,264 from licensing income. £69,540 was received in 16/17, £11,015 in 17/18, £18,534 in 18/19 and £10,175 to date in 19/20. Income across 18/19 and 19/20 is expected to stay consistent due to the amount of work undertaken in identifying unlicensed properties.

3.2. The income received is used to fund the administrative post that supports the scheme and this is currently funded until March 2021. The overall income position will be reviewed at the end of the 19/20 financial year.

3.3. Income that has been derived from the serving of notices, costs from prosecutions and issuing of civil penalties is further outlined in section 4.

4. Formal Enforcement Action

4.1. The Council's approach to enforcement action is risk based. The scheme has enabled officers to focus on those properties that present this highest risk and it is clear that the poorest property conditions are being identified in unlicensed properties. This is therefore where the focus of the schemes resource is aimed.

4.2. An overview of the formal action taken against unlicensed properties as a result of the scheme is shown below.

Action Taken	Volume	Financial
Formal Notices Served	16	£4,400 (fee income)
Interviews Under Caution	9	n/a
Cautions	2	n/a
Formal Warnings	5	n/a
Prosecutions	8 39 convictions 1 (at trial)	*Fines issued £82k Costs £10k
Civil Penalties Issued	12	**£70k total

Civil Penalties in Progress	9	£73k total
Tribunal Appeals	3 2 Upheld 1 in process	n/a

*fines issued for prosecutions are collected by HMCTS and are not received by the Council

** Civil Penalties and associated costs are received by the Council

4.3. The level of formal action is expected to continue for the remainder of the scheme and demonstrates the proactive work being undertaken by officers to identify offences committed and deal with them accordingly.

4.4. All unlicensed offences are being considered for prosecution or civil penalty.

4.5. Where civil penalties are not paid immediately a debt recovery process is in place with legal services whereby charges are added to properties and debt plus costs can then be recovered through the sale of these properties. This secures the recovery of costs for the Council and can also force the sale of the property from the landlord.

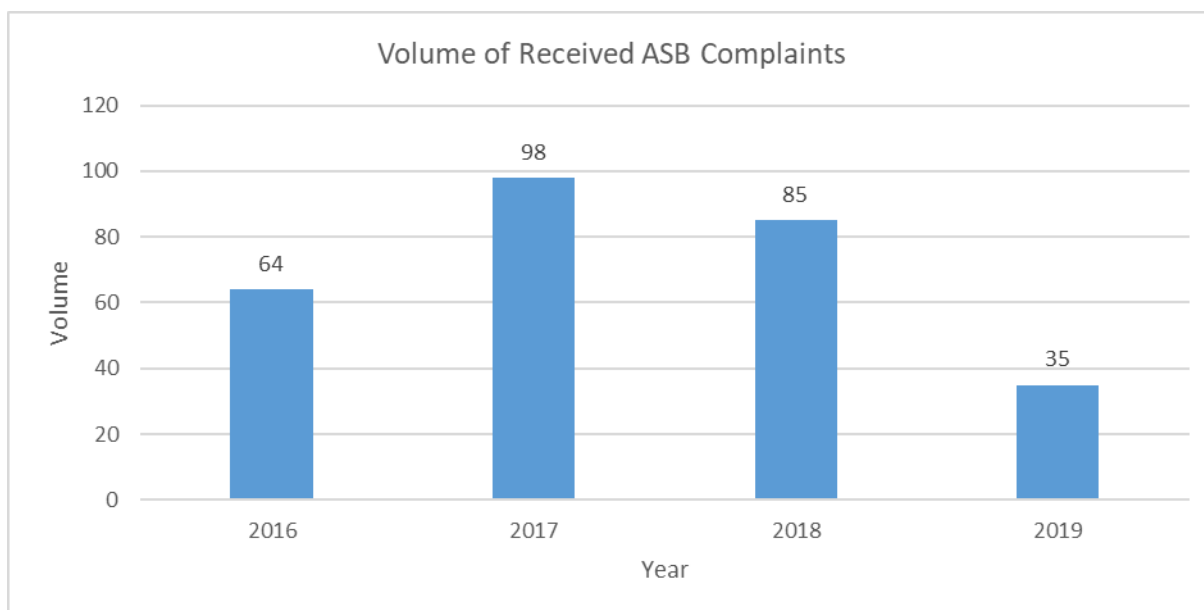
5. Dealing with Anti-Social Behaviour (ASB)

5.1. Within the scheme the focus remains on proactively dealing with unlicensed properties and any ASB that is caused by them. There are a number of specific initiatives that the Council has carried out as part of the selective licensing work and as part of our overall approach within the designated area.

5.2. Since the last update the Council has:

- Delivered scheduled 4 (Abandoned Shopping Trolleys) and reduced the impact of this issue.
- Reviewed the waste collection regime within the licensing area
- Focussed an enforcement officer on issues such as early presentation of waste
- Implemented the Housing Assistance Policy and through empty property grants reduced the number of long term empty homes in the area to 87 (the lowest figure for circa 10 years).
- Continued to address and deal with reports relating to ASB

5.3. The chart below shows the trends in relation to ASB within the area since 2016. The 2017 increase is believed to be the result of the enhanced officer presence within the area alongside increased awareness of the scheme and the action the Council can take.

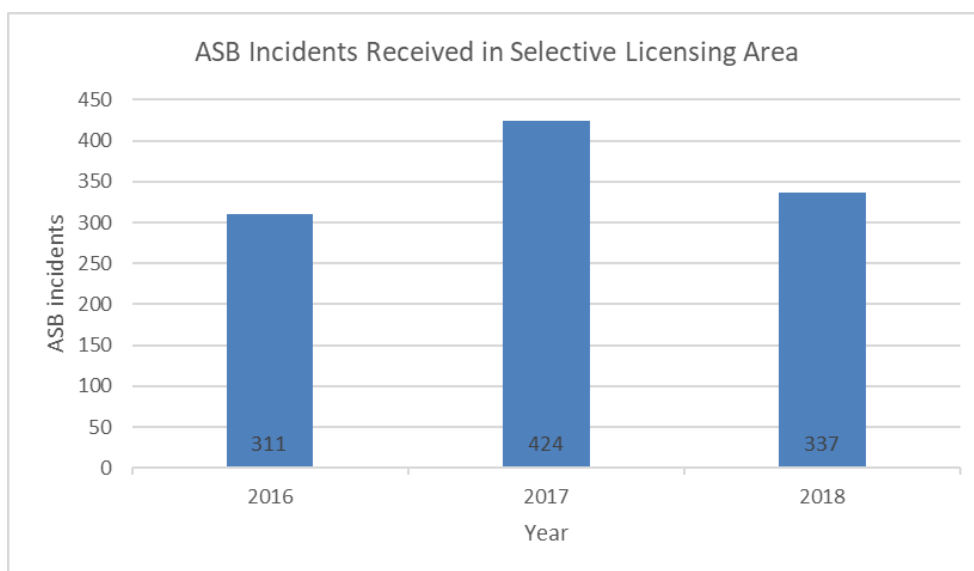


5.4. Since 2017 the number of reports are steadily decreasing. The scheme has enabled the Council to take quick effective action with landlords in relation ASB that originates from their properties and as a result some of these matters are being dealt with by landlords without the need for Council involvement. Further information on ASB is shown in appendix 2.

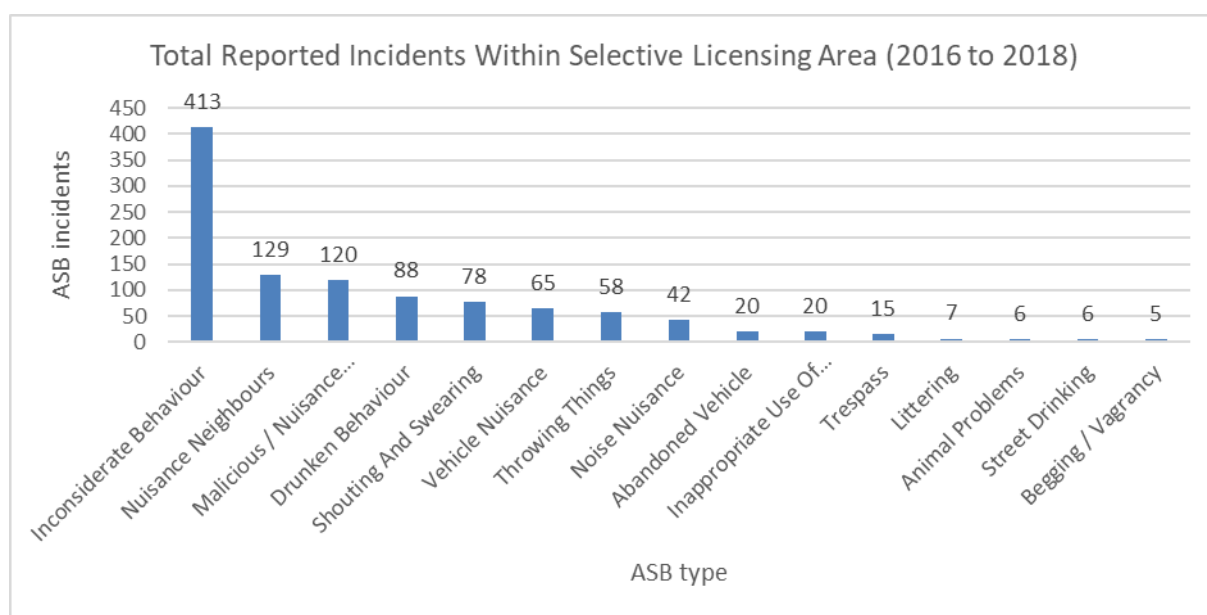
5.5. As per the Council's State of the District Report 2019 the crime rates continue to increase across West Lindsey and Lincolnshire Police recorded the overall crime rate for the district as 55.67 per 1,000 of the population in 2018, an increase from 50.89 in 2017 and 45.7 per 1,000 in 2016, 40.0 in 2015 and 39.5 in 2014. The district has the third lowest crime rate in the county.

5.6. Overall there were 4,959 crimes recorded in the 12 months to December 2018 an increase of 3.96% on 2017.

5.7. In relation to the Police recorded incidents in 2017 the area received 424 complaints which is a 36% (113) increase from incidents reported the previous year. This figure decreased by 20% (87) in 2018 when a total of 337 ASB incidents were reported. The table below demonstrates this.



5.8. The chart below shows the type and frequency of ASB incidents within the area and shows that the highest volume of ASB incidents relates to 'inconsiderate behaviour'. This incident type accounted for 39% (413) of reported ASB incidents. Whilst this information provides an overview it should be noted that the licensing scheme is not a tool to address all of these issues, but can contribute to their reduction.



6. Ensuring Compliance

6.1. The Council is in the process of inspecting all of the properties that it has directly licensed. This work is expected to be completed by March 2020. The property inspections focus on compliance with the licensing conditions and also consider the general repair of the property.

6.2. It is intended that by the end of the scheme either Homesafe or the Council will have inspected every single licensed property at least once.

6.3. Given the high level of compliance achieved in the initial two years of the scheme by Homesafe members the focus has been on ensuring ongoing compliance during year 3. Over the course of the year Homesafe have;

- Opened 101 cases relating to compliance, with currently 21 open.
- Managed 66 cases from previous compliance checks, from which 392 issues were identified.
- Identified and taken actions relating to the 26 properties for which access has been problematic.

7. Future Scheme Timescales

7.1. The Council is still working towards the original three main phases of the scheme.

Phase 1 – Licensing of landlords: this has been ongoing since the 18th of July 2016 and it is our aim to ensure that all eligible landlords are licensed within the first year of the scheme.

Update – This aspect of the scheme is ongoing and will continue for its remainder as new licensed are required for newly identified properties or those that are sold and require a licence.

Phase 2 – Unlicensed Landlords: prosecution will be considered for all landlords (known and unknown) who failed to obtain a licence by the 31st of January 2017. This phase will commence on April 1st 2017.

Update – Work relating to unlicensed landlords is ongoing and formal action is being taken as appropriate.

Phase 3 – Ongoing Compliance: Homesafe members receive compliance checks. Over the course of 2019 all landlords licensed directly by WLDC will receive their inspections.

Update – All Homesafe members have been inspected for compliance. Landlords licensed directly by the Council have been receiving compliance checks during 2019 and it is expected that these will be completed by March 2020.

Phase 4 – Reducing Anti – Social Behaviour and improving the overall environment:

Update – information on the reduction of anti-social behaviour is detailed in section 5.

8. Summary

8.1. The licensing scheme continues to deliver good outcomes in relation to housing standards, enforcement and in addressing ASB within the area. The scheme has just under 2 years until its designation comes to an end and these outcomes are expected to continue.

8.2. A further update report will be delivered to elected members in 12 months and alongside this a wider review of the designation and the options available when it ends will be undertaken and considered.

9. Recommendations

Elected Members are asked to:

- a) To provide pre-scrutiny comments in advance of Prosperous Communities Committee

ASB Analysis – Internal Complaints to WLDC

Volume of received ASB complaints

Between 2016 and 2019 (YtD), WLDC received a total of 282 ASB related complaints.

In 2017, the ASB team received their highest number of ASB related complaints in the reporting period (RP) with a total of 98 complaints. This was a 53% increase in the volume received in 2016 when a total of 64 complaints were received; the lowest volume in the RP. The volume of received complaints then fell by 13% in 2018 with a total of 85 complaints received; 13 fewer than 2018. This is shown in Chart 1.

2019 performance data shows the volume of received complaints between January and September. There is no forecast data available to show if the trend in decreased complaints is expected to continue as no forecast data is available. However; ASB complaints will continue to be monitored throughout the remaining months of 2019.

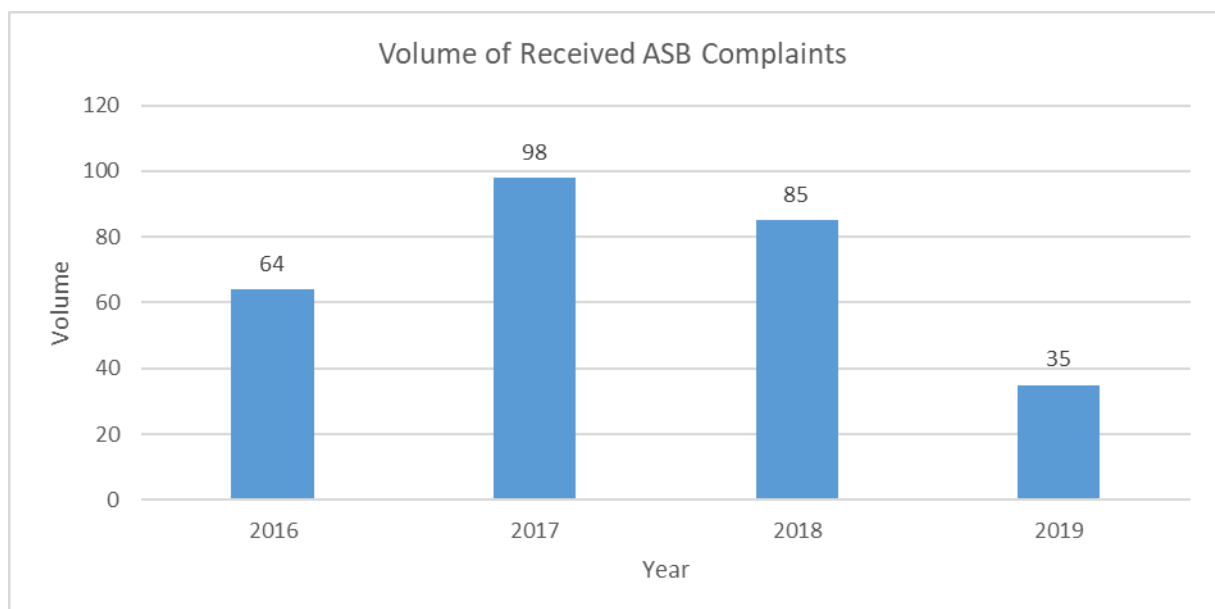


Chart 1: Volume of received ASB complaints

Type and frequency of received ASB complaints (2016 to 2019 YtD)

Chart 2 shows the type and frequency of reported ASB complaints within the RP. The code of 'general' returned the highest volume of complaints with a total of 139 in the period; 49.3% of received complaints.

The second highest category of received ASB complaints within the RP is 'littering' which made up 7.8% (22) complaints followed by 'waste on private property' and 'vandalism/graffiti' both with 6% of total complaints.

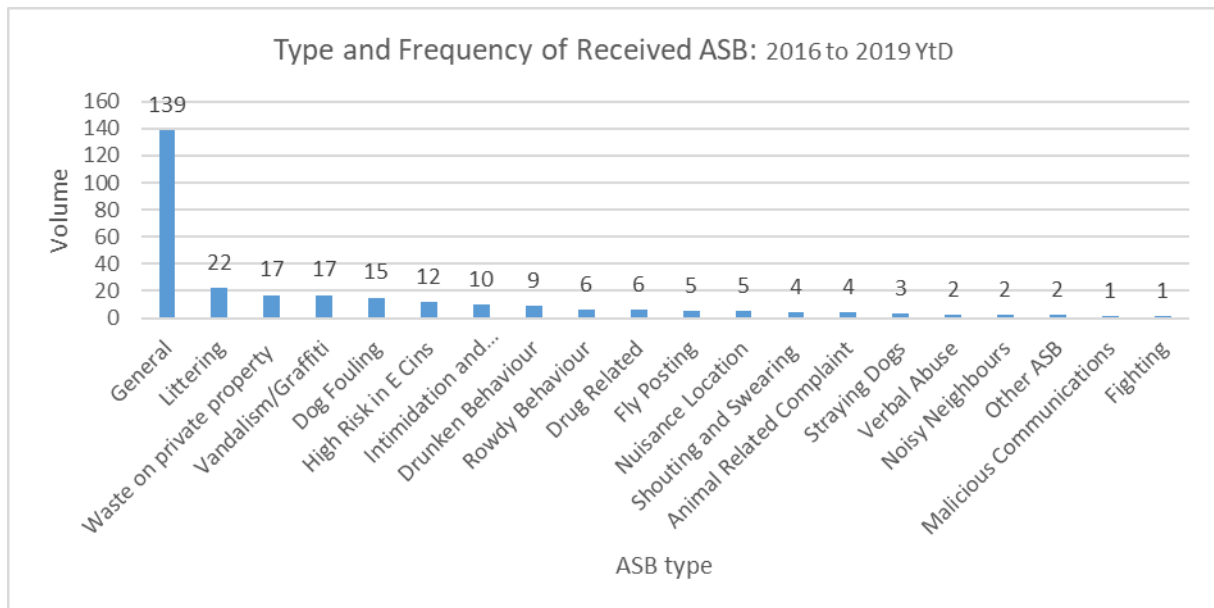


Chart 2: Type and frequency received ASB complaints (total)

Type and frequency of received ASB complaints by year

As previously discussed, 'general' is the highest category of received ASB complaints within the RP. In 2016 the service received a total of 45 complaints which increased by three complaints in 2017 to 48. 2017 was the highest volume of received 'general' ASB complaints as the figure decreased by 17 (35%) in 2018 when the service received 31 'general' complaints. This is shown in Chart 3.

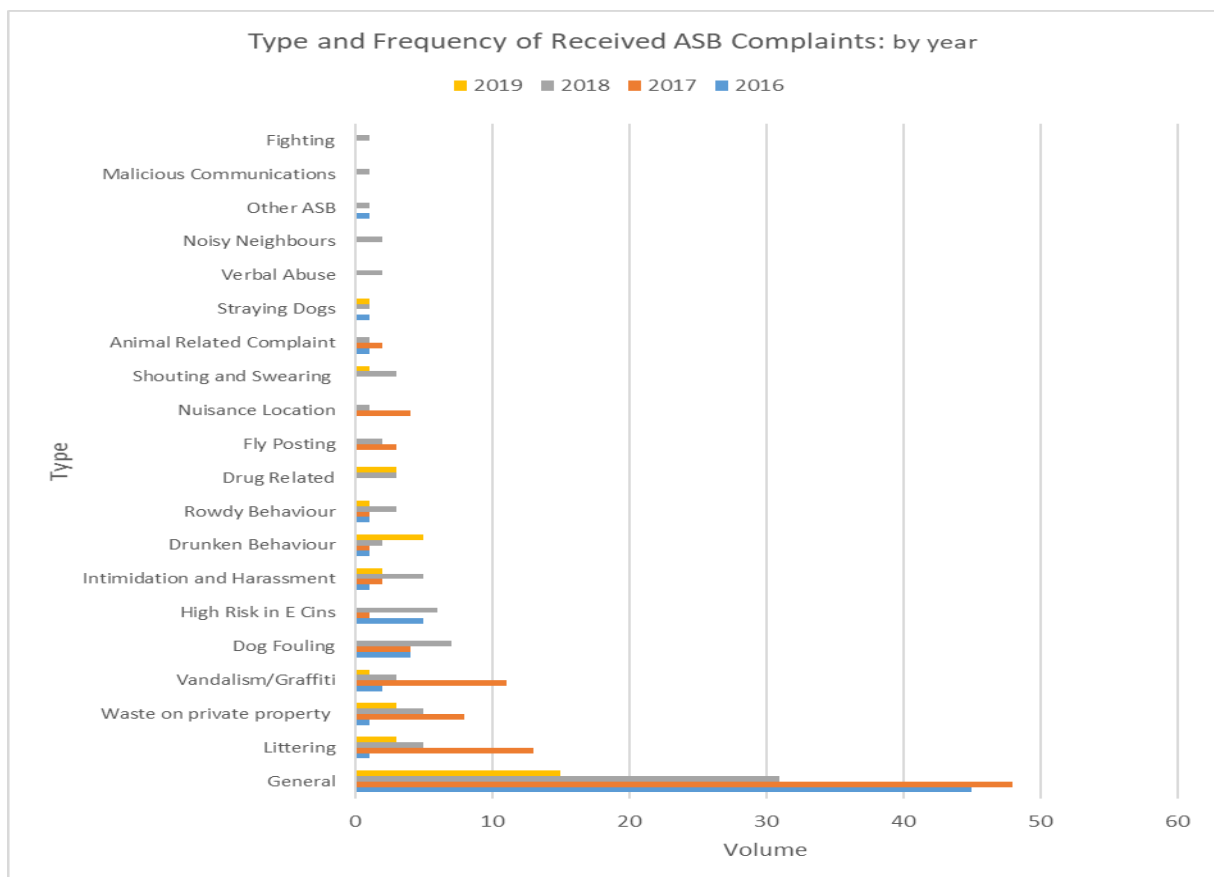


Chart 3: Type and frequency received ASB complaints (by year)

In 2018; the service received five complaints in regards to 'littering'; a 62% (8) decrease from the volume received in 2017 (13). The number of received complaints regarding 'vandalism/graffiti' also decreased from 2017 to 2018 with the service receiving 11 and 3 complaints respectively; a decrease of 73% (8).

Of the 37 complaint categories the Council witnessed an increase in complaints in 13 categories. The volume of these complaints represent a minor total of the overall total and is shown in Table 1. It is however worth continuing to monitor these complaint categories to ensure that this doesn't lead to a trend in ASB within the area.

Category	2017 Vol	2018 Vol	2017 to 2018 increase	2019 Vol
Dog Fouling	4	7	+3	0
High Risk in E Cins	1	6	+5	0
Intimidation and Harassment	2	5	+3	2
Drunken Behaviour	1	2	+1	5
Rowdy Behaviour	1	3	+2	1
Drug Related	0	3	+3	3
Shouting and Swearing	0	3	+3	1
Straying Dogs	0	1	+1	1
Verbal Abuse	0	2	+2	0
Noisy Neighbours	0	2	+2	0
Other ASB	0	1	+1	0
Malicious Communications	0	1	+1	0
Fighting	0	1	+1	0

Table 1: ASB increases

FORWARD PLAN FOR ALL COMMITTEES

Title	Lead Officer	Purpose of the report	Other C'tee	Decision Maker
CORPORATE POLICY AND RESOURCES				
4 DECEMBER 2019				
MAINTENANCE POLICY of Property & Physical Assets	Gary Reeve	New policy and guidance documents relating to the maintenance of WLDC property and land		Corporate Policy and Resources Committee 04/12/19
Customer Management System	Michelle Carrington	To seek approval for the procurement of a Customer Management System, and to spend capital monies allocated in the Earmarked reserve.		Corporate Policy and Resources Committee 04/12/19
Made in Gainsborough Phase 2	Amanda Bouttell	Proposal for Phase 2 delivery of an Engineering Apprenticeship Programme within Gainsborough		Corporate Policy and Resources Committee 04/12/19
National Non Domestic Rates, Sundry Debtors, Council Tax and Housing Benefit Overpayments Write Offs	Alison McCulloch	Report detailing debts which are irrecoverable	Corporate Policy and Resources Committee 12/12/19	Corporate Policy and Resources Committee 12/12/19
ERP - FINANCE SYSTEM	Tracey Bircumshaw	To seek approval to acquire a new finance system which will enable a future One Council approach to back office systems.		Corporate Policy and Resources Committee 04/12/19
9 JANUARY 2020				
Whistleblowing Policy	Emma Redwood	To review the council's		Corporate Policy

		Whistleblowing Policy		and Resources Committee 09/01/20
Approval of the Council's Proposed Performance Measures	Ellen King	This report presents the following for approval by Members: 1. The Council's proposed Progress and Delivery performance measures for 2020/21; 2. The Council's proposed Corporate Plan performance measures for 2020-2023		Corporate Policy and Resources Committee 09/01/20
Review of Earmarked Reserves and Revenue Grants Unapplied	Sue Leversedge	To consider the proposals informed through the annual review of reserves process.		Corporate Policy and Resources Committee 09/01/20
<hr/>				
PAGE 55 FEBRUARY 2020				
Progress and Delivery Report - Period 3 2019/20	Mark Sturgess	To present performance of the Council's key services against agreed performance measures and indicate where improvements should be made, having regard to the remedial action set out in the report.	Prosperous Communities Committee 17/03/20	Corporate Policy and Resources Committee 06/02/20
Budget and Treasury Monitoring Period 3 2019/20	Tracey Bircumshaw, Sue Leversedge	forecast outturn position as at 31st December 2019		Corporate Policy and Resources Committee 06/02/20
Corporate Policy & Resources Committee Draft Budget 2020/21 & estimates to 2024/25	Sue Leversedge	draft budget for PC & CPR budgets 2020/21 - 2024/25		Corporate Policy and Resources Committee 06/02/20
Compassionate Leave Policy	Emma Redwood	To write a Compassionate Leave	Joint Staff	Corporate Policy

		Policy for the council	Consultative Committee 16/01/20	and Resources Committee 06/02/20
Review and rationalise information security policies	Steve Anderson	A proposal for reviewing and rationalising the authorities information security policy set.	Joint Staff Consultative Committee 16/01/20	Corporate Policy and Resources Committee 06/02/20

9 APRIL 2020

Budget and Treasury Monitoring Period 4 2019/20	Tracey Bircumshaw, Sue Leversedge	to report final outturn position 2019/20		Corporate Policy and Resources Committee 09/04/20
Stress Management Policy	Emma Redwood	To review the council's stress management policy and update as required	Joint Staff Consultative Committee 26/03/20	Corporate Policy and Resources Committee 09/04/20
Officer Code of Conduct	Emma Redwood	To review the officer code of conduct and update as required		Corporate Policy and Resources Committee 09/04/20

COUNCIL

20 JANUARY 2020

Local Council Tax Support Scheme for 2019/20	Alison McCulloch	To determine the local council tax support scheme for 2019/20	Corporate Policy and Resources Committee 12/12/19	Council 20/01/20
Mid Year Treasury Management Report 2019/20	Tracey Bircumshaw	To provide a Mid Year report on Treasury Management performance and prudential indicators.		Council 20/01/20

11 MAY 2020 (ANNUAL)

Annual Constitution Review	Katie Coughlan	Annual review ahead of annual council in 2020	Governance and Audit Committee 14/04/20	Council 11/05/20
Appointment of Committee Chairmen and Vice-Chairman for the 2019/2020 Civic Year	Katie Coughlan	For Council to appoint the Chairmen and Vice-Chairmen to each Committee for the ensuing civic year		Council 20/05/19
Appointment of Sub-Committees, Boards and other Bodies	Katie Coughlan	To appoint Members to Sub-Committees, Working Groups and Outside Bodies.		Council 20/05/19
Appointment of Committees	Katie Coughlan	Appointment of Members to serve on committees of the Council.		Council 20/05/19
REVIEW OF THE ALLOCATION OF SEATS TO POLITICAL GROUPS ON COMMITTEES/SUB - COMMITTEES	Katie Coughlan	Political balance - have had to put June briefing on as it is a mandatory field.		Council 20/05/19

GOVERNANCE AND AUDIT

14 JANUARY 2020

Internal Audit Q3 19/20	James Welbourn	To present the update for quarter 3 to G and A committee	Governance and Audit Committee 14/01/20	
Internal Audit Draft Annual Plan Report 2020/21	James Welbourn	To present to members the draft annual internal audit plan based on assurance mapping and risk assessments across the Council's critical services.	Governance and Audit Committee 14/01/20	
Certification of Grants and Returns	Tracey Bircumshaw	To present the outcome of the External Audit of Grant Claims and	Governance and Audit Committee	

Draft Treasury Management Strategy	Tracey Bircumshaw	returns To provide members with the opportunity to review the Strategy and to provide assurance prior to recommending to Council for approval.	14/01/20 Governance and Audit Committee 14/01/20
Accounts Closedown 2019/20 - Accounting Matters	Caroline Capon	To review and approve the accounting policies actuary assumptions and materiality levels that will be used for the preparation of the 2018/19 accounts. For the External Auditor to explain the process of the External Audit of the Statement of Accounts and approach to the Value for Money Audit 2018/19.	Governance and Audit Committee 10/03/20
External Audit Strategy Memorandum (Plan) for 2019/20	Tracey Bircumshaw	To present the 2019/20 External Audit Plan for the Statement of Accounts	Governance and Audit Committee 14/01/20

10 MARCH 2020

Internal Audit Charter	James Welbourn	IA Charter for 20/21 - John Sketchley	Governance and Audit Committee 14/04/20
------------------------	----------------	---------------------------------------	--

14 APRIL 2020

Internal Audit Q4 19/20	James Welbourn	To present the update for quarter 4 to G and A committee	Governance and Audit Committee 14/04/20
-------------------------	----------------	--	--

JOINT STAFF CONSULTATIVE

16 JANUARY 2020

Sickness absence update	Emma Redwood	to provide an update on the council's levels of sickness absence	Joint Staff Consultative Committee 16/01/20
-------------------------	--------------	--	--

28 MARCH 2020

Gender Pay Report 2018	Emma Redwood	To report on the Gender Pay Gap for WLDC as at 31st March 2018	Joint Staff Consultative Committee 28/03/19
------------------------	--------------	--	--

LICENSING

PROSPEROUS COMMUNITIES

28 DECEMBER 2019

Addition of a Rough Sleeping chapter to the Lincolnshire Homeless Strategy 2018-2021	Rachel Parkin	The National Rough Sleeper Strategy, published in October 2018, requires that authorities re-badge their strategies as Homelessness and Rough Sleeper strategies by the end of December 2019. The Lincolnshire strategy covers the five year term 2017 to 2021 and needs to re-badge as the Lincolnshire Homelessness and Rough Sleeper strategy by no later than 31 December 2019.	Prosperous Communities Committee 28/01/20
Strategic Visitor Economy Strategy	Wendy Osgodby	Support for the Visitor Economy is embedded within West Lindsey District Council's Corporate Plan, under the theme 'A prosperous and	Prosperous Communities Committee 28/01/20

enterprising district' as follows:

Vision:

'Creating local wealth through the visitor economy'

Objectives:

-Increasing number of visitors / length of stay

-Increasing expenditure by visitors

-Developing leisure, culture and recreational offer

-Increasing the quality and number of businesses / jobs in the sector

Therefore, it is clear that support for developing our Visitor Economy sits at the centre of our strategy for the future of the district.

West Lindsey Parish Charter	Grant White	To agree draft West Lindsey Parish Charter and begin consultation on the new version with parish/town councils and parish meetings.	Prosperous Communities Committee 03/12/19
Selective Licensing - annual review	Andy Gray	To provide Committee with its annual review of the selective licensing scheme in Gainsborough South West Ward	Prosperous Communities Committee 03/12/19
Update on Gainsborough Market	Ady Selby	Update on delivery of Gainsborough Market	Prosperous Communities Committee 03/12/19

28 JANUARY 2020

Vulnerable Communities Strategy (formally Place Based Strategy)	Grant White	Update on place based strategy including work in South West Ward and Hemswell Cliff.	Prosperous Communities Committee 28/01/20
---	-------------	--	--

Prosperous Communities Committee Budget 2020/21	Sue Leversedge	This report sets out the details of the Committee's draft revenue budget for the period of 2020/21 and estimates to 2024/25.	Prosperous Communities Committee 28/01/20
Progress of health related work	Diane Krochmal	To provide an annual update report on progress of health related work	Prosperous Communities Committee 28/01/20
Gainsborough Bus Station Refurbishment	Matthew Snee	Proposal for refurbishment of Gainsborough Bus Station as part of Transport Programme.	Prosperous Communities Committee 28/01/20
Employment & Skills Partnership	Amanda Bouttell	Report to update on pilot year achievement and set out delivery plan for continuation.	Prosperous Communities Committee 28/01/20
West Lindsey Parish Charter	Grant White	To present updated version of West Lindsey Parish Charter for consultation with parish/town councils.	Prosperous Communities Committee 28/01/20

17 MARCH 2020

Consultation & Engagement Strategy	Grant White	To introduce a new corporate Consultation	Prosperous Communities Committee 17/03/20
------------------------------------	-------------	---	--

REGULATORY

5 DECEMBER 2019

Public Space Protection Orders - Gainsborough Town Council Land	Andy Gray	To provide committee with feedback in relation to any future PSPOs that may be considered on	Regulatory Committee 05/12/19
---	-----------	--	----------------------------------

Contaminated Land Strategy

Sarah Gamble, Andy Gray

Town Council land.
To provide Councillors with an updated Contaminated Land Strategy for the District

Regulatory Committee
05/12/19

WORK PLAN FOR OVERVIEW AND SCRUTINY COMMITTEE

Title	Lead Officer	Purpose of the report	Other C'tee	Decision Maker
7 JANUARY 2020				
Progress and Delivery Report - Period 2 2019/20s	Ellen King	To present performance of the Council's key services against agreed performance measures and indicate where improvements should be made, having regard to the remedial action set out in the report.		Overview and Scrutiny Committee 12/11/19
18 FEBRUARY 2020				
Pre-Scrutiny Caistor Southdale Development	Eve Fawcett-Moralee	To pre-scrutinise the papers for the Caistor Southdale Development (date TBC)		Overview and Scrutiny Committee 18/02/20
31 MARCH 2020				
Progress and Delivery Report - Period 3 2019/20	Ellen King	To present performance of the Council's key service against agreed performance measures and indicate where improvements should be made, having regard to the remedial action set out in the report.		Overview and Scrutiny Committee 31/03/20
28 APRIL 2020				

Agenda Item 9

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

Document is Restricted

Document is Restricted