

THE DONCASTER (CITY GATEWAY – RAILWAY SQUARE AND PHASE 1) COMPULSORY PURCHASE ORDER 2023

PINS reference: APP/PCU/CPOP/F4410/3324357

ACQUIRING AUTHORITY: DONCASTER CITY COUNCIL

STATEMENT OF CASE ON BEHALF OF TASKMASTER RESOURCES LIMITED

Introduction

- 1 This Statement of Case relates to the Doncaster (City Gateway – Railway Square and Phase 1) Compulsory Purchase Order 2023 (the “CPO”). The CPO was made on 9 May 2023 by Doncaster City Council, the acquiring authority (the “Council”). The CPO Scheme will be constructed by Wilmott Dixon and comprises of a new public square outside of Doncaster Railway Station and a building known as Gateway Phase 2 which will be used as an office block and for other commercial uses.

- 2 Taskmaster Resources Limited (“Taskmasters”) objected to the CPO on 14 June 2023. Those objections are maintained and are included in the bundle of documents which are attached to the Council’s Statement of Case (dated 12 June 2024) as document 8 (page 126). This Statement of Case provides comment on the Council’s Statement of Case, updates the information in Taskmasters’ objections to the CPO, sets out the matters on which evidence will be provided and sets out Taskmasters’ case.

Taskmaster’s Interest in the Order Land

- 3 The CPO Scheme is to be constructed on land at Trafford Court and land off Trafford Way, St Sepulchre Gate Way, and West Street, Doncaster. The Order Land consists of various interests within this area of land. Taskmasters occupy unit 4 of Trafford Court under a lease dated 24 June 2014 (the “Lease”), together with 2 car parking spaces. Taskmasters has had use of more than 2 car parking spaces throughout its 20-year tenure and evidence will be provided on this point.
- 4 The Lease is a protected lease under the provisions of the Landlord and Tenant Act 1954 and Taskmasters benefits from security of tenure. Taskmasters’ leasehold interest is registered under title number SYK618610. At the time of the signing of the Lease, Taskmasters’ landlord was Trafcourt Properties Limited. The Council acquired the freehold interest in Trafford Court in or around April 2023.
- 5 The term for the Lease ends on 31 August 2024 but, as stated, the Lease is a protected lease. On 23 February 2024, the Managing Director of Taskmasters, Mr Andrew Skorupka, received, from the Council’s solicitors, a notice under section 25 of the Landlord and Tenant Act 1954 purporting to end the tenancy on 31 August 2024. The grounds for ending the tenancy were under grounds (d) and (f) of section 30 of the 1954 Act. Ground (d) states:

“that the landlord has offered and is willing to provide or secure the provision of alternative accommodation for the tenant, that the terms on which the alternative accommodation is available are reasonable having regard to the terms of the current tenancy and all other relevant circumstances and that the accommodation, and the time that at which it will be available are

suitable for the tenant's requirements (including the requirement to preserve goodwill having regard to the nature and class of his business and to the situation and extent of the facilities afforded by the holding)."

- 6 To date, the Council, who is Taskmasters' landlord, has not made any such offer as described above of alternative accommodation and has not provided any terms at all in relation to any alternative accommodation, which could be regarded as reasonable or in accordance with Taskmaster's requirements or otherwise. On the contrary and as described below, there has been a complete failure by the Council to negotiate with Taskmasters' regarding its interest in Trafford Court and acutely inadequate attempts by the Council to progress any relocation options for Taskmasters' branch office in Doncaster. Taskmasters intends to fully contest the section 25 notice.

The Business

- 7 Taskmaster is a recruitment company. Its branch in Doncaster deals with the supply of driving staff and also the supply of staff to the industrial and manufacturing sectors. The statistics for Taskmaster's employees are set out in its objections to the CPO.
- 8 Taskmaster has operated a Doncaster office for 20 years. Its location, which is next to Doncaster train station, is ideal for its business. The location enables agency workers to easily go in and out of the office for administrative purposes and to look for work. Evidence will be provided on the importance of "passing trade" and footfall to the business. These relate to agency workers who visit the Doncaster office unannounced to look for work. Many of these workers have been dropping into the office for a number of years since its establishment in Doncaster. The office has become a landmark in this respect and former agency workers know to pass by if they are seeking work. Some of the agency workers have been doing this for so long that they are now referring their children , who are of working age, to Taskmasters' office to look for work .
- 9 Evidence will also be provided on the Council's failure to provide certainty in respect of the timescales for demolishing Trafford Court and the need to relocate and how this will adversely

affect the retention of employees at the Taskmasters' Doncaster office. This includes the fact that at least one of the employees in the Doncaster office does not drive and will be adversely affected if the office is moved from its central location which is close to a train station and bus route.

- 10 Like all other businesses, especially those involved in the UK's labour market, Taskmaster has suffered difficulties due to Covid and Brexit. This has impacted the quantity and quality of agency workers that they are able to provide and makes the current central location of their business all the more important. Evidence will be given on this point.

Failure to Negotiate

- 11 Taskmasters will also provide evidence detailing their contact with the Council, since they were contacted about the possibility of a CPO in 2022. Following the making of the CPO in May 2023, Taskmaster's Managing Director, Mr Andrew Skorupka was contacted by an officer from the Council called Adrian Barnes, regarding the relocation of Taskmaster's Doncaster office. Mr Skorupka put Mr Barnes in touch with Mr Darren Chandler, the Industrial Branch Manager, for the Doncaster office and Mr Neil Bertman, the Driving Sector Branch Manager in June 2023. Mr Barnes took Mr Chandler out on one trip and showed him a few properties. Mr Chandler wrote to Mr Barnes, after that trip, and indicated which of those properties that he was interested in. Mr Barnes never responded to Mr Chandler.
- 12 Mr Chandler did not hear back from the Council until November 2023. This time he heard from another officer, Mr Chris Dungworth. Mr Dungworth said he recognised that contact with the Council had not been ideal regarding relocation but he was going to try and rectify that and was keen to advise Taskmasters about relocation. He also told them that Mr Barnes had left the Council. In December 2023, Mr Dungworth showed Mr Chandler a few more properties.
- 13 Mr Chandler has expressed a possible interest in three properties owned by the Council although none of them are ideal, particularly in the following respects:

13.1 In respect of the first property, Mr Dungworth indicated that the rent was likely to be at a certain level. In an email, the Council clarified in writing that the rent would in fact be almost 3 times that rate, which is above Taskmaster's budget;

13.2 The second property has been mothballed and requires works to bring it up to date. The Council has not offered to carry out these works prior to letting the premises to Taskmasters;

13.3 The third property does not have any car parking spaces and Taskmasters would not be able to occupy the third property without affordable car parking spaces.

The latest correspondence on these properties were from Mr Chandler to the Council on 14 February, seeking detail and discussion on these points, and Mr Chandler is awaiting a response.

14 The above demonstrates that the negotiations are still in a very early stage. No premises have been chosen much less offered and no terms have been agreed. The Council has outstanding enquiries to respond to in respect of the properties which will influence Taskmaster's decision as to whether any of the premises they have seen recently are suitable.

15 Evidence will also be given about the fact that Taskmasters' branch managers have not during these discussions been given the right information about the CPO and have not been told that the Order still needs to be confirmed. Instead, the CPO has been discussed as if it is "a done deal". This creates a different and false context under which the discussions have taken place.

16 The assistance in respect of relocation has been sporadic, with an initial attempt made in June 2023, which was left dormant for months and followed up again in November 2023. Taskmasters did want more information about the timing of the demolition of Trafford Court before committing to relocation, which is an entirely reasonable request. As stated, since then the Council has been directed to Mr Chandler and Mr Bertman to discuss relocation with the Council. The Council, on the other hand, has not provided Taskmasters with information as to timelines of the development and did not inform Taskmasters in respect of its two attempts to compulsorily end Taskmasters's interests – by the CPO and by a section 25 notice.

17 The objection that the Council has failed to take reasonable steps to acquire Taskmasters' interest by agreement is therefore maintained. The government guidance on compulsory purchase and the Crichel **Down** rules states that:

17.1 *The confirming authority will expect the acquiring authority to demonstrate that they have taken reasonable steps to acquire all the land and rights including the Order by Agreement.*

17.2 *Where the acquiring authority decides to/arrange to acquire land by agreement they will pay compensation as if it had been compulsorily purchased unless that land was already on offer on the open market.*

17.3 *Compulsory purchase is intended as a last resort to secure the assembly of all the land needed for the implementation of the projects. However if an acquiring authority waits for negotiations to breakdown before starting the compulsory purchase process valuable time will be lost.* In this case, the Council had not started negotiations with Taskmasters before making the CPO and have not done so to date. As outlined below, despite not accepting that the Council has made out a case that the compulsory purchase is compelling in the public interest, Taskmasters has very recently had to approach the Council regarding heads of terms, including compensation for its interest and loss, should a suitable relocation property be found.

17.4 *In order to reach early settlement, public sector organisations should make reasonable initial offers and be prepared to engage constructively with Claimants about relocation issues and mitigation and accommodation works where relevant.*

17.5 *The Government guidance also states that the acquiring authority should provide full information from the outset about what the compulsory purchase process involves, the rights and duties of those affected and an indicative timetable of events and should consider doing the following:*

17.5.1 Appointing a specified Case Manager during preparatory stage;

17.5.2 Offering to alleviate concerns about a future compensation entitlement by entering into agreements about the minimum level of compensation;

17.5.3 Offering advice and assistance to affected occupiers in respect of their relocation;

17.5.4 Providing a not before date for taking of the premises;

17.5.5 Where appropriate giving consideration to funding landowner's reasonable costs of negotiation and other costs or expenses likely to be incurred in advance of the process of acquisition.

18 The assertions that the Council has complied with the above guidance in its Statement of Case are therefore refuted including the ones below:

18.1 The claim in paragraph 11.6 of the Council's Statement of Case and any other such claim that the Council has carried out any meaningful negotiations with Taskmasters;

18.2 The assertion in paragraph 12.7 that the Council has been working to **end** the lease. The Council has not been working with Taskmasters to end the lease;

18.3 In respect of various assertions made that Taskmasters wanted to be sure about the timescale before committing to relocation, the following is relevant; firstly the request is entirely reasonable given the importance of the location of the business. Secondly Taskmasters' branch managers have engaged fully and co-operated with Council officers in respect of relocation and has often chased the Council for updates. Thirdly, when Taskmasters did ask for the information regarding the Scheme the Council was not forthcoming, which was unreasonable.

19 The Council is under a duty to do more than show Taskmasters potential properties for relocation at market rent. The Council has failed to do even this and has shown them a number of properties and then failed to follow up on queries that would lead to the terms being resolved.

- 20 Eventually Taskmasters has had to approach the Council firstly about using the firm CBRE to negotiate terms with the Council. Taskmaster have in February 2024 had to be the ones to contact the Council about possible heads of terms, should a relocation property be found, even while disagreeing with the confirmation of the CPO.
- 21 This is contrary to the Council's duties as set out in the guidance. The fact that the Council has now tried to terminate the Lease via a section 25 Notice under the Landlord and Tenant Act is also contrary to its duties to negotiate and has been done with no assurances that Taskmasters would still receive its statutory compensation if the section 25 Notice process is followed through. The Notice requires termination of the lease by 31 August 2024. The date does not take into account Taskmasters' business needs.
- 22 In conclusion and in breach of its duties, there has been a complete failure on the Council's part to negotiate and to try and acquire Taskmaster's interests voluntarily. This failure has taken place before the Compulsory Purchase Order was made and afterwards. The compulsory purchase is therefore not a remedy of last resort.

Impact on Taskmaster's Business

- 23 The objection in respect of the impact of Taskmaster's business is maintained. There must be a compelling case in the public interest to justify compulsory purchase of private land interests. The confirming Minister is tasked with taking a balanced view between the intention of the acquiring authority and the concerns of those with an interest in the Order Land.
- 24 As stated above, compulsory purchase will have a significant impact on Taskmasters' ability to service its business in Doncaster and in particular supply agency workers to the businesses that it works with. Taskmasters' objections set out the positive economic impact that the business brings to Doncaster. Further evidence will be provided to support the assertions made in this statement.
- 25 Taskmasters would ask the inspector to take into account the following:

25.1 The importance to Taskmasters' Doncaster branch of the location next to the train station;

25.2 The significant loss of access to agency workers as part of the passing trade of footfall;

25.3 The difficulties which Taskmasters has encountered in the last two to five years partly attributable to Brexit and Covid;

25.4 The impact of the CPO on Taskmasters' employees;

The above will be set out in detail in evidence.

Assessment under the Human Rights Act and Public Sector Equality Impact

26 The Council's due regard statement does not provide sufficient detail to demonstrate that the Council carried an adequate assessment of the impact on the human rights of those affected by the CPO, prior to its making . Taskmaster provided, within its objections, various statistics relating to the makeup of its agency workers. No attempt has been made to follow up on this information in order to assist the Inspector in carrying out their own assessment. It is therefore not possible for the Inspector to make a lawful determination of whether the exercise of the CPO powers are lawful and proportionate or of how the Council has engaged with its public sector equality duty.

27 In response to the points raised in objections about human rights and the public sector equality duties, the Council has repeated standard wording in paragraphs 13.22 to 13.36 and paragraphs 13.35 to 13.39 of its Statement of Case. The Council makes reference to consultation and enquiries but has not produced the results of these enquiries or any detail about them.

Lack of Compelling Need in the Public Interest

28 Taskmasters also objects on the basis that there is no compelling need in the public interest for the scheme. The Queensbury Report appended to the Statement of Case is full of aspiration but light on actual need. The aspirations of the CPO Scheme appear to be to – to attract higher rent for office space in the Doncaster areas, provide a certain type of office space should businesses in Doncaster need it, re-generate Doncaster by encouraging “north-shoring” – where national and international businesses and corporations, traditionally based in London, relocate their offices and

headquarters to the north of England in order to reduce their operational costs (as has happened in places like Manchester and Leeds) - and to provide office spaces which cater to the wellbeing of employees especially since the increase of flexible working.

- 29 The report does not provide evidence of any national or international corporations or existing businesses in Doncaster which are likely to move to the Gateway building. Although the plan of building this office space as a means of attracting further investments is not of itself objectionable, the Queensbury Report does not demonstrate that there is a compelling need in the public interest to compulsorily purchase Taskmasters' interest and the interest of others in order to meet this aspiration. The report also does not adequately deal with the trend across the country and in many other countries for less office space due to the increase of flexible working.
- 30 The report relies heavily on evidence from larger and different types of cities like Manchester, Leeds and Birmingham while Doncaster has only just been awarded city status and is of a different character. The lack of detailed plans to attract the higher rent which the Council asserts are required to make the revenue improvements has an uncertain effect on viability and the inspector's consideration thereof.
- 31 Essentially the Council wants to replace an office block with a more up-market office block. The old office block is physically going to be replaced with a forecourt which includes landscaping and footpath and cycle path to create connectivity into Doncaster City. There is no evidence that the Council has seriously considered alternatives. The Council's report of November 2022, where the CPO was authorised by its Cabinet, sets out options. The first option set out in the report is to avoid a need to acquire and it is simply reported to members that this is not possible because the railway square extension and new office block cannot be delivered without acquiring third party land. No alternative designs, which may retain Trafford Court and other much needed buildings, are presented to members. In respect of the connectivity to the city centre, the documents on the Council's website relating to the planning permission for the Scheme do not show how the cycle paths and footpaths will connect into the City of Doncaster.

Viability and Economic Benefits

32 Mott MacDonald's appraisal sets out the economic benefits which include direct land value uplifts from the Gateway Building which it is hoped would result in value uplifts in the wider area . This scheme is said to be a catalyst for further regeneration in Doncaster which means that it is partially reliant on this further regeneration as part of its economic benefits. The direct land value uplifts are based on the aspirations set out in the Queensbury Report that the Gateway office building will attract higher rents and will be occupied. As stated above, there is a certain element of uncertainty in respect of this and a risk that the Council will be left funding this development before it realises these increased values. The inspector should take into account the Council's financial position as reported by the press, for example the linked [article](#), which will be attached in evidence.

Conclusion

33 In conclusion, the main points that should mitigate against the confirmation of the CPO is that the CPO is not a remedy of last resort, as the Council has failed in its duty to try and acquire Tasmasters' interest by agreement and the lack of compelling need. In respect of the latter, the scheme and documents supporting it present the scheme as a speculative, partly commercial development which does not justify the acquisition of Taskmaster's interest and threat to its business.

1 March 2023