

Agenda Item No:

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Report of : Land and Property Services

Report to : Chief Asset Management and Regeneration Officer

Date: October 2014

Subject: ST. CHAD'S C of E PRIMARY SCHOOL, WEST PARK, LEEDS, LS16 5QR

Are specific electoral Wards affected?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, name(s) of Ward(s): Weetwood		
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, Access to Information Procedure Rule number:		
Appendix number:		

Summary of main issues

1. The purpose of this report is to seek approval to the disposal of part of the site of St. Chad's C. of E. Primary School to Abbey Academies Trust to run St. Chad's C. of E. Primary School as an academy school in pursuance of the Academies Act 2010.
2. St. Chad's C. of E. Primary School has applied to the Department of Education (DfE) for the School to be granted academy status. The Department for Education has approved the conversion to academy status and granted an Academy Order. The Council disposed of most of the site in 2005, retaining only the playing field. The DfE requires confirmation that the Council has agreed to grant a leasehold interest of the playing field to the applicant academy.

Recommendations

4. It is recommended that approval is given to the disposal of St. Chad's C. of E. Primary School playing field to Abbey Academies Trust enabling it to run the school as an academy school on a 125 year lease at nil consideration in line with legislation and on the terms outlined within this report.

1 Purpose of this report

- 1.1 The purpose of this report is to seek approval to the disposal of St. Chad's C. of E. Primary School playing field to Abbey Academies Trust to enable it to run the school as an academy school in pursuance of the Academies Act 2010.

2 Background information

- 2.1 The governing body of a maintained school may make an application to the Secretary of State for Education for an academy order to be made for the school. An academy order is an order for the purpose of enabling the school to be converted into an academy school. The Secretary of State sends a copy of the order to the school and local authority.
- 2.2 St. Chad's C. of E. Primary School applied to the DfE requesting to be granted academy status. The DfE has made an academy order enabling the school to convert to an academy school under section 4 of the Academies Act 2010.
- 2.3 An effect of an academy order is that the local authority must cease to maintain a school on the date ("the conversion date") on which the school, or a school that replaces it, opens as an academy.

3 Main issues

- 3.1 In order for the DfE to approve academy status for St. Chad's C. of E. Primary School, it will require confirmation that the Council has agreed to transfer the part of the site which is in Council ownership to Abbey Academies Trust to enable it to run the academy school. The Heads of Terms to be granted to Abbey Academies Trust are based on the DfE model lease (which all local authorities are required to use) and are summarised below:-

Draft Heads of Terms

- | | | | | | | |
|----|---|---|----|---|----|--|
| 1. | Lease: | The party to the lease will be Abbey Academies Trust which will operate the former St. Chad's C. of E. Primary School as an academy school. | | | | |
| 2. | Demise: | All the land within the area edged black on the attached plan. | | | | |
| 3. | Term: | 125 year lease to commence on a date to be agreed. | | | | |
| 4. | Consideration: | The consideration payable for the grant of the lease will be nil. The annual rental during the duration of the lease will be a peppercorn (if demanded). | | | | |
| 5. | Use: | <table border="0"><tr><td style="vertical-align: top;">a)</td><td>For the purposes of the provision of education services by the tenant (as set out in any charitable objects of the academy trust and in accordance with the memorandum and articles of association of the academy trust from time to time); and</td></tr><tr><td style="vertical-align: top;">b)</td><td>For community, fundraising and recreation purposes which are ancillary to the use permitted under a). above.</td></tr></table> | a) | For the purposes of the provision of education services by the tenant (as set out in any charitable objects of the academy trust and in accordance with the memorandum and articles of association of the academy trust from time to time); and | b) | For community, fundraising and recreation purposes which are ancillary to the use permitted under a). above. |
| a) | For the purposes of the provision of education services by the tenant (as set out in any charitable objects of the academy trust and in accordance with the memorandum and articles of association of the academy trust from time to time); and | | | | | |
| b) | For community, fundraising and recreation purposes which are ancillary to the use permitted under a). above. | | | | | |

6. Termination: The lease will automatically determine on the termination of the funding agreement or in circumstances where there is no other funding agreement in existence.
7. Repair: The lessee will be responsible for the repair and maintenance of the premises under the lease.
8. Alienation: The lessee can assign the tenancy, sub-let or part with possession of the whole or any part of the demise under the lease.
9. Legal Costs: Each party will be responsible for their own legal costs arising from the transaction.
10. Insurance: The tenant will be responsible for insuring the premises.

3.2 Under the terms there will be no change to the use of the playing field. At present there are no other users of the field. Any future use must comply with the restrictions noted at point 5. Use a) and b) under the Draft Heads of Terms above.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Children's Services advises that pupils, their parents/guardians, teachers and staff were all made aware of the proposal to convert to an Academy. In addition, public meetings have been held where details of the proposed conversion to an Academy were made available.
- 4.1.2 Ward Members have been contacted by Development Department by e-mail on 30 September 2014. They are aware of the proposals. Councillor S. Bentley responded on behalf of her ward member colleagues on the 30 September 2014. She asked whether the Council can stipulate that this land is not built on and what would happen to the land "if for any reason in the future the Abbey Trust or this school is sold on to a 'for profit making' academy organisation". An e-mailed response was sent on 7 October 2014 detailing the position and the user clause that would be inserted in the lease.
- 4.1.3 The Director of Children's Services was informed by the head-teacher of the school's intention to become an academy on 2 May 2014. Children's Services has indicated that the Executive Member for Children's Services was informed of the proposal subsequently.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 The proposal has no specific implications for equality, diversity, cohesion and integration.

4.3 Council Policies and City Priorities

- 4.3.1 The proposals outlined in this report will impact on the Leeds City Council aim that Councillors are committed to improving outcomes for children and young people. The Best Council Plan 2013-17 has, as one of its key objectives, to "build a child friendly city" by improving outcomes for children and families, with a focus on: its "obsessions" of looked after children, NEETs and attendance; raising educational standards and narrowing the gap for vulnerable groups; and ensuring enough school places as the City grows.

4.4 Resources and Value for Money

- 4.4.1 Although the Council has a duty under s.123 of the Local Government Act 1972 (or the Housing Act 1995) to secure the best consideration that it reasonably can from the disposal of its property assets, this obligation is overridden by requirements of the Academies Act 2010 to enter into lease arrangements at nil consideration.
- 4.4.2 The proposed disposal at nil consideration is the Council's contribution to the delivery of the academy programme which is consistent with the educational policies and objectives of the Council.
- 4.4.3 The playing field site is entered in the asset register at a figure of £13,000. Whilst the site will be leased by the Abbey Academies Trust, ownership will remain with the Council and the premises will be required to operate as a school serving the Leeds 16 area. The academy school will be dependent on funding from the DfE. Should funding be withdrawn or the academy school cease to operate, the buildings and land will revert to the Council. The use of the land and premises by the Abbey Academies Trust as an academy school would represent value for money for the Council and as such would not have less than best implications, as it is a statutory function of the Council to provide education for children in Leeds.
- 4.4.4 The report referred to at 7.1 below, of the Director of Children's Services to Executive Board detailed the financial implications for the Council of the proposed academies in the process of being created in Leeds.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 Under Part 3 Section 3E Paragraph 2(a) of the Council's Constitution (Officer Delegation Scheme (Executive Functions)) the Director of City Development has authority to discharge any function of Executive Board in relation to the management of land (including disposals of land).
- 4.5.2 The proposal constitutes a significant operational decision and is therefore not subject to call in.
- 4.5.3 Under the provisions of the Academies Act 2010 the DfE serves an Academy Order on a local authority. Once served the local authority is statutorily obliged to grant a lease to the applicant academy for nil consideration. If this obligation is not complied with the DfE can make a scheme to secure the land for academy purposes.
- 4.5.4 The requirements of the Academies Act 2010 override the Council's duty under section 123 of the Local Government Act 1972 to secure best consideration.
- 4.5.5 Transfers at nil consideration under this legislation are not discretionary or a matter for Leeds City Council to approve, but are required by legislation.

4.6 Risk Management

- 4.6.1 There is a risk that Abbey Academies Trust may not proceed. This is considered unlikely as the proposed academy conversion is supported by the DfE.

5 Conclusions

- 5.1 The proposal should be supported in line with the Department for Education's policies enabling schools to convert to academies under the Academies Act 2010.

6 Recommendations

- 6.1 It is recommended that approval is given to the disposal of the playing field at St. Chad's C. of E. Primary School to Abbey Academies Trust on a 125 year lease at nil consideration in line with legislation and on the terms outlined within this report.

7 Background documents¹

- 7.1 Report of the Director of Children's Services to Executive Board on 14 December 2011.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.