

Agenda Item No:

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Report of: Head of Land and Property
Report to: Director of City Development
Date: June 2017
Subject: Proposed sale of land at Barrack Road to the Education Skills Funding Agency

Are specific electoral Wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, name(s) of Ward(s):	Chapel Allerton	
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, Access to Information Procedure Rule number:	10.4(3)	
Appendix number:	1	

Summary of main issues

1. The subject site, as identified on the attached plan, comprises of vacant council owned land to the north of Barrack Road situated within the Chapel Allerton Ward. This site will be referred to as Site 1 within this report.
2. The site is being recommended for sale to the Education Skills Funding Agency (ESFA) for the construction of a two form entry primary school.
3. The ESFA proposed the construction of a four form entry secondary school and wishes to purchase two other sites owned by the Council in the vicinity (the former Roseville Enterprises Unit and the former Thomas Danby College playing pitches on Roundhay Road). These sites will be referred to as Sites 2 and 3 respectively. A report recommending approval to the sales of Sites 2 and 3 to the ESFA will be submitted when negotiations have concluded.

Recommendations

4. It is recommended that, subject to the completion of a satisfactory Community Use Agreement, Site 1, known as land to the north of Barrack Road, be declared surplus to requirements and approval given for the sale to the Education Skills Funding Agency, the details and terms of which are detailed within the confidential appendix.

1 Purpose of this report

- 1.1 To recommend the terms for the sale of the freehold interest in the subject site to the Education Skills Funding Agency on the terms detailed within the confidential appendix, and to declare the site surplus to Council requirements.

2 Background information

- 2.1 Site 1 shown on plan 17161/H extends to approximately 1.5ha (3.71a) and originally housed Social Services offices before vacation in 2014; the buildings have been demolished. The site contains an area of N6 Protected Playing Pitch 0.69ha (1.70a) with the remainder of the site 0.81ha (2.01a) being unallocated within the UDP. The Site Allocations Plan allocates the whole of the site for School Use under ref: HG5-4.
- 2.3 In 2015 the ESFA considered Site 1 and adjoining Council land, marked "Proposed Cohousing Site" on the plan for construction of a primary school. The combined sites were, however, too large and the school requirement of 1.5ha can be accommodated on Site 1 alone. A cohousing organisation had been interested in part of the overall site before the ESFA interest arose, and now the site boundaries of the school have been determined there is land available for the cohousing organisation to acquire extending to approximately 1ha. Approval to enter into an exclusivity agreement with the cohousing organisation was given by the Chief Officer Economy and Regeneration on 13 September 2016.
- 2.6 The cleared part of Site 1 was declared operationally surplus prior to demolition and is currently in void management. The playing field was used by the CHSS (Chapeltown & Harehills Extended Services) Cluster on an ad hoc basis prior to the vacation of their premises on Leopold Street. Use was on the understanding that the Cluster would maintain it and if the Council needed it, then it would be taken back. The playing field is no longer required by the Cluster, the Service Level Agreement for maintenance has not been renewed and keys have been returned. Legal Services have been consulted and are satisfied that no legal interest has been created by this arrangement.
- 2.7 In addition to the above use Hillcrest Primary School use the field for football and cricket fixtures. Alternative arrangements are currently being sought for the school's use of other land.
- 2.8 The ESFA intend to construct a through school, comprising a two form entry primary school on Site 1 and a four form entry secondary school on neighbouring land owned by the Council. The secondary school is proposed on the Council's former Roseville Enterprises site and former Thomas Danby College playing fields shown as Sites 2 and 3 respectively on the plan. Negotiations for the disposal of those sites are not as advanced as Site 1 and a report recommending the sales will be submitted separately.
- 2.11 The ESFA intend to open a temporary primary school on Site 1 by September 2017 which will require a start on site in June 2017. In order to meet the above deadline, the ESFA have applied for planning permission for a two year temporary primary school on Site 1 and intend to submit a planning application for the permanent school in August 2017. The temporary primary school will be sited on the current playing field whilst the permanent school is constructed on the brownfield element of the site.

- 2.13 The secondary school is due to open on Sites 2 and 3 by September 2018. This will take the form of a temporary school provision running alongside the building of the permanent school. It is intended that the planning applications for both the temporary school and the permanent school are also submitted in August 2017.
- 2.14 Terms for the disposal of Site 1 have been provisionally agreed. The sale of Sites 2 and 3 is complicated by Site 3 being currently leased by the Council to Leeds City College for use as playing fields in association with the former Thomas Danby College. The Thomas Danby College site has been sold by Leeds City College and commercial redevelopment of it has recently commenced. The ESFA will purchase Site 1 in advance of Sites 2 and 3. The EFA will only purchase Sites 2 and 3 simultaneously.

3 Main Issues

- 3.1 The purpose of this report is to recommend terms for the disposal of the freehold interest in Site 1 to allow the ESFA to deliver a two form entry Primary School.
- 3.2 Children's Services identified this area of the city as requiring a two form entry Primary School (60 places) by September 2017. The ESFA approved a free school provider, Dixons Trinity, for this locality which will provide a two form entry Primary on Site 1 and a four form entry Secondary School on Sites 2 and 3.
- 3.3 The ESFA through the free school presumption is the only route open to the Council for the provision and opening of new schools and as such the disposal of the land needs to be on a one to one basis with the ESFA.
- 3.4 In order for the ESFA to bring forward their proposal, the ESFA must acquire the freehold interest in Site 1. Heads of Terms for the sale of Site 1 are contained within the confidential appendix. Site 1 is to be sold at Market Value.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Site 1 falls within the Chapel Allerton Ward. Ward Members have been consulted regarding the disposal to the ESFA.
- 4.1.2 The Ward Members have expressed a view around the lack of local play provision in the area and would prefer the retention of part of the Leopold Street site to provide this.
- 4.1.3 The ESFA have not accounted for this play provision in its proposals. Plans prepared by the ESFA state a target site area for the school of 4.11 acres, however the actual site area is only 3.71 acres. Within the site soft outdoor physical education space must be accommodated. The target for this space is 8,400m², however only 6,150m² can be accommodated, but the space is Sport England compliant. The overall site is therefore undersized for a two form entry Primary School and is unable to accommodate a public play area.
- 4.1.4 The Council has previously sold land to the ESFA where public access to recreational facilities was agreed. The sale of the former East Leeds Leisure Centre was accompanied by a Community Use Agreement and it is proposed one will be put in place at Leopold Street that will allow the community to book the playing pitch facility for use outside of school hours. Use of the pitch will be chargeable and operated by the school provider. In respect of a specific children's

play area, a review of the local area by Asset Management officers has identified a site adjacent to the Leopold Street playing field and works to explore the potential to deliver a play area in this location have commenced. Accordingly, the provision of a Community Use Agreement and land for a play area helps to address the issues raised in the consultation, whilst facilitating the delivery of school places.

- 4.1.5 The Executive Member for Regeneration, Transport & Planning has been briefed on the proposals outlined above and was supportive of the disposal of Sites 1, 2 and 3 to the ESFA. The Executive Member is aware of the Ward Members' request for a play area.

4.2 Council Policies and the Best Council Plan

- 4.2.1 The proposal outlined in this report will impact on the Council's 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.

4.3 Resources and Value for Money

- 4.3.1 The site will be sold at market value for best consideration. Further details are contained within the confidential appendix.
- 4.3.2 The sale of the subject site will remove holding cost liabilities for the Council.
- 4.3.3 The Head of Land and Property confirms that the proposed method of disposal set out above is the method most likely to result in the Council achieving the best consideration that can reasonably be obtained under Section 123 of the Local Government Act 1972 (or under the Housing Act 1985).

4.4 Legal Implications, Access to Information and Call In

- 4.4.1 Under Part 3, Section 3E(g) of the Council's Constitution (Officer Delegation Scheme (Executive Functions)) the Director of City Development has authority to discharge any function of the Executive in relation to Asset Management.
- 4.4.2 The Chief Officer Economy and Regeneration, Head of Asset Management and Head of Land and Property have authority to take decisions in relation to Asset Management as delegated in the Director of City Development's sub delegation scheme.
- 4.4.3 The proposal constitutes a significant operational decision and is therefore not subject to call in.
- 4.4.4 The information contained in the Appendix attached to this report relates to the financial or business affairs of a particular person, and of the Council. This information is not publicly available from the statutory registers of information kept in respect of certain companies and charities. It is considered that since this information was obtained through one to one negotiations for the disposal of the property/land then it is not in the public interest to disclose this information at this point in time. Also it is considered that the release of such information would or would be likely to prejudice the Council's commercial interests in relation to other similar transactions in that prospective purchasers of other similar properties would

have access to information about the nature and level of consideration which may prove acceptable to the Council. It is considered that whilst there may be a public interest in disclosure, much of this information will be publicly available from the Land Registry following completion of this transaction and consequently the public interest in maintaining the exemption outweighs the public interest in disclosing this information at this point in time. It is therefore considered that this element of the report should be treated as exempt under Rule 10.4.3 of the Access to Information Procedure Rules.

4.5 Risk Management

4.5.1 If the land is not sold to the ESFA the site will be marketed for sale.

4.5.2 There is a risk that the ESFA may withdraw their interest. If this happens the site will be offered on the open market.

4.5.3 There is a risk that satisfactory planning permission may not be obtained, however the ESFA is confident their scheme will be granted planning permission.

5 Conclusions

5.1 It can be concluded the sale of Site 1 for the construction of a new primary school can be recommended for approval as this new provision of school places will meet the local demand. Sale of the land will be at market value and the Council will meet its obligation to achieve best consideration. In addition, consideration has been given to the representations made by Ward Members and mitigation has been brought forward, including the requirement for a Community Use Agreement.

6 Recommendations

6.1 It is recommended that, subject to the completion of a satisfactory Community Use Agreement, Site 1, known as land to the north of Barrack Road, be declared surplus to requirements and approval given for the sale to the Education Skills Funding Agency, the details and terms of which are detailed within the confidential appendix.

7 Background Documents¹

7.1 There are none.

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.