

To: Members of the Executive Board

cc: N Jackson
P Rogerson
J Dent
Brian Lawless, City Development

Democratic Services

4th Floor West
Civic Hall
Leeds LS1 1UR

Contact: Kevin Tomkinson
Tel: (0113) 247 4357
Fax: (0113) 3951599
Email: kevin.tomkinson@leeds.gov.uk
Our Ref:
Your Ref: A61/KJT

11th February 2009

Dear Councillor

EXECUTIVE BOARD – 13TH FEBRUARY 2009 – FORMER ROYAL PARK PRIMARY SCHOOL

Please find attached for your attention additional information in respect of the former Royal Park Primary School for consideration at Executive Board on Friday.

- 1 Supplementary information advising Board Members of an offer made by the Muslim Association of Leeds 11 in respect of the acquisition of the freehold of the former Royal Park Primary School.
- 2 An extract of the minutes from the meeting of the North West (Inner) Area Committee on 5th February 2009.

I should be grateful if you could attach this additional information to your agenda for the meeting.

Yours sincerely

Kevin Tomkinson
Senior Governance Officer



NOT FOR PUBLICATION

The Appendix to this report is Exempt/Confidential under
Access to Information Procedure Rules 10.4 (3)

Report of the Director of City Development

Executive Board

Date: 13 February 2009

Subject: The former Royal Park Primary School – Supplementary Report

Electoral Wards Affected:
Hyde Park & Woodhouse

Specific Implications For:

Ethnic minorities

Women

Disabled people

Eligible for Call In

Not Eligible for Call In
(Details contained in the re

EXECUTIVE SUMMARY

1. The supplementary report is to advise Executive Board of an offer made by the Muslim Association of Leeds 11 (Registered Charity No: 508738) in respect of the acquisition of the freehold of the former Royal Park Primary School.

1.0 The Purpose Of This Report

- 1.1 This supplementary report is to advise Executive Board of an offer made by the Muslim Association of Leeds 11 in respect of the acquisition of the freehold of the former Royal Park Primary School.
- 1.2 The scheme proposed by this registered charity is for the full refurbishment, to a very high standard, of the building for the establishment of an educational facility, including a nursery, for the community at large.
- 1.3 The offer is made on the basis of a 10% non-refundable deposit, subject to Executive Board agreeing that the offer should be accepted, and a short period, to be negotiated, for the transaction to be completed.
- 1.4 The information contained in the confidential appendix to this Supplementary Report relates to the financial or business affairs of a particular charitable organisation 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 then it is not in the public interest to disclose this information at this point in time as it could undermine this method of negotiation and affect the integrity of disposing of property/land by this process. 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 this or other similar transactions in that prospective purchasers of this or other similar properties would have 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 any 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.

2.0 Background Information

- 2.1 The background to this supplementary report is as for the main report.
- 2.2 Education Leeds has been asked to advise whether or not it has any observations to make upon the proposed use of the property and a representative of Education Leeds will be present at the Executive Board meeting.

3.0 Implications For Council Policy and Governance

- 3.1 The refurbishment of the building for the purpose proposed would meet the aspirations of the community, expressed at the time of the original closure of the former primary school, for the continuation of educational use on this site and the preservation of the school buildings

4.0 Legal and Resource Implications

- 4.1 Achieving an early resolution to the issue of the future of the property would relieve the Council of the continuing cost of security and maintenance. The payment of a non-returnable deposit would reimburse the Council for any costs that might arise during the time prior to the planned completion of the transaction should that not come to fruition.
- 4.2 The Head of Property Services confirms that in his opinion the terms offered to the Council represent the best consideration that can reasonably be obtained under Section 123 of the Local Government Act 1972 (or under the Housing Act 1985).
- 4.3 Should Executive Board decide not to proceed with the disposal but accept the officer recommendation that, in this case, the property should be demolished immediately, resources would have to be found to meet the cost of such demolition. From experience with other similar properties, this cost is estimated at over £200,000.

5.0 Conclusions

- 5.1 This proposal for the disposal to the Muslim Association of Leeds 11 would achieve many of the original aspirations for the property.
- 5.2 The proposal would also contribute to the Capital Receipts programme but it should be noted that this was never a prime consideration during any of the prolonged debate about the future of the property.
- 5.3 Not proceeding with the disposal would mean that the Council, if it accepted officers' recommendations in the main report considered earlier on the Executive Board agenda, would have to meet the cost of demolition as well as not achieving a capital receipt.

6.0 Risk Assessment

- 6.1 There is a risk that, even if Executive Board should agree to accept the proposal, the matter would not proceed to completion. This is not seen as a high risk, given the nature of the scheme and the funds that are available to the potential purchaser.
- 6.2 The costs involved in accepting such a risk would be covered by the non-returnable deposit.
- 6.3 Disposing of the property to any organisation, without any covenant as to the future use of the site, does run the risk that, at some stage in the future, that organisation could seek to redevelop the site and, thereby, profit from the transaction. However, the offer received at the moment does represent the market value of the site. If the Council is not to accept this offer it would, if the officer recommendations are followed, mean that the Council would have to find the resources to meet the cost of demolition. The future use of the site will, in any event, be governed by the need to secure planning consent for any change of use.
- 6.4 The main report recommends that arrangements should be made for the immediate demolition of the main school buildings should the disposal to this interested party not come about. The demolition need be delayed for only a short period should the transaction not be completed.

7.0 Recommendations

- 7.1 That Executive Board should note the offer made by the Muslim Association of Leeds 11, details of which are given in the confidential appendix to this report.
- 7.2 That Executive Board should consider the information given in the main report and this supplementary report and, subject to consideration of any additional information that may be provided by Education Leeds, instruct officers to proceed with the disposal of the property to the Muslim Association of Leeds 11.
- 7.3 That should Executive Board resolve that the offer ought not to be accepted, appropriate arrangements be made for the immediate demolition of the main school buildings, as recommended in the main report.

Background papers:

City Development (Asset Management Service) file

Environment & Neighbourhoods file

Extract from the minutes of the North West (Inner) Area Committee meeting held on 5th February 2009 in relation to the former Royal Park Primary School

The Committee received a deputation from Sue Buckle and Ted Winter on behalf of the Royal Park Community Consortium. The deputation made specific reference to the former Royal Park School building and requested the Area Committee to support the renewed 'Community Bid' following the withdrawal of Rushbond PLC from the scheme to redevelop the building.

It was reported that the Executive Board of the Council would be considering this subject at its meeting on 13th February 2009, and the recommendation in the officers report was that the former school should be demolished and the site marketed for redevelopment, possibly for low-cost housing. Reference was also made to a late proposal which had been received, for the site to be used as a faith school.

RESOLVED –

- (a) That the deputation be received and noted.
- (b) That the Area Committee supports the efforts of the Royal Park Community Consortium to save the building, requests the Executive Board to give the Consortium six months to come up with a business plan for its redevelopment and in the meantime takes immediate steps to secure the building from any further deterioration.