

Agenda Item No:

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Report of : The Head of Land and Property

Report to : The Director of City Development

Date:

Subject: LEEDS NORTH SEMH, SPRINGWELL LEEDS NORTH, WOODNOOK DRIVE, COOKRIDGE, LEEDS LS16

Are specific electoral Wards affected?	<input checked="" 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 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 type="checkbox"/> Yes	<input checked="" 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 the site of the new Leeds North Social and Emotional Mental Health (SEMH) school to the Wellspring Academy Trust in line with the provisions of the Academies Act 2010.
2. Wellspring Academy Trust is an 'outstanding preferred sponsor' for the provision of SEMH services.

Recommendations

3. It is recommended that approval is given to the granting of a lease of Leeds North SEMH to the Wellspring Academy Trust enabling it to run it 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

The purpose of this report is to seek approval to the granting of a lease of part of Leeds North SEMH to the Wellspring Academy Trust which will operate from the building a Social Emotional Mental Health (SEMH) facility.

2 Background information

- 2.1 The Behavioural, Emotional and Social Difficulties (BESD) Specialist Inclusive Learning Centre (SILC) at Elmete Wood was placed into 'special measures' by Ofsted and had to close. As a result the service had to be provided outside the Leeds City Council area, with commensurate costs. Children's Services reviewed the future of the BESD SILC service.
- 2.2 In December 2015, Executive Board granted permission to consult on the proposal to further develop provision for children with SEMH across the city and take steps to move the governance (cease to provide) of some existing providers to become part of an outstanding local academy. This included establishing additional Social Emotional Mental Health (SEMH) provision on sites in the north, east and in the south of the city, which will be run as academy schools by an outstanding preferred sponsor.
- 2.3 The current proposal, as part of the wider SEMH strategy, will provide a modern, purpose-built school and will result in savings, both in the revenue costs and social capital costs, of not having to provide for children with SEMH outside of the authority.

3 Main issues

- 3.1 In order for the Wellspring Academy Trust to occupy the site, it will require confirmation that the Council has agreed to lease the premises (which are in Council ownership) to the academy trust to enable it to run it as an academy school. The Heads of Terms to be granted to the Wellspring Academy Trust in respect of Leeds North SEMH are summarised below:

Draft Heads of Terms

1. Lease: The party to the lease will be the Wellspring Academy Trust which will operate an academy school from the site.
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: In line with lettings to academy schools 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: 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 (Wellspring Academy Trust) 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 its own legal costs arising from the transaction.
10. Insurance: The tenant will be responsible for insuring the premises.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Following a report dated 27 July 2016 Executive Board was supportive of proposals for investment in new Social, Emotional and Mental Health specialist provision for children and young people. This included the construction of the subject site and partnership with Wellspring Academy Trust.
- 4.1.2 Children's Services advises that the Leader of Council and Executive Member for Economy and Culture, Deputy Leader and Executive Member for Children and Families and Weetwood Ward Members were consulted in respect of the construction of this facility and the proposal to engage Wellspring Academy Trust to run the school.
- 4.1.3 Ward members have been briefed throughout the development process and at the end of each design stage. Members are fully supportive of the proposal and the benefits it provides to both the local ward and the wider community.

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

- 4.4 The proposal 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 2018/19 - 2020/21 has, as key objectives, to "build a child friendly city" by improving outcomes for children and families, with focuses on: Increasing the number of children and young people participating and engaging in learning, improving achievement and attainment for all, NEETs and attendance;

raising educational standards and narrowing the gap for vulnerable groups; and ensuring enough school places as the City grows.

4.5 Resources and Value for Money

- 4.5.1 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.
- 4.5.2 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.
- 4.5.3 The contract sum for the design, development and delivery of Leeds North SEMH was £14,089,785.72. Whilst the site will be leased by the Wellspring Academy Trust, ownership will remain with the Council and the premises will be required to operate as a school serving the appropriate Leeds areas. The academy school will be dependent on funding from the DfE. Should funding be withdrawn or the academy schools cease to operate, the buildings and land will revert to the Council. The use of the land and premises by the Wellspring Academy 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.
- 4.5.4 The report referred to at 7.1 below, of the Director of Children's Services to the Executive Board detailed the financial implications for the Council of the proposed academies in the process of being created in Leeds.

4.6 Legal Implications, Access to Information and Call In

- 4.6.1 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).
- 4.6.2 The proposal constitutes a significant operational decision and is not subject to call in.

4.7 Risk Management

- 4.7.1 There is a risk that the Wellspring Academy Trust may not proceed. This is considered unlikely as the proposed academy conversion is supported by the DfE.

5 Conclusions

- 5.1 The design proposals have been considered in direct response to the particular needs of the SEMH spectrum and have been designed, in conjunction with Wellspring Academy Trust, to provide an innovative, inspirational and bespoke environment for children and young people attending this school; this will provide specialist facilities and also cater for a rising population within the City.
- 5.2 The proposal should be supported in line with the Department for Education's policies relating to academy schools under the Academies Act 2010.

6 Recommendations

- 6.1 It is recommended that approval is given to the disposal of the site of Leeds North SEMH to the Wellspring Academy 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 the Executive Board on 14 December 2011.
- 7.2 Report of the Director of Children's Services, the Director of Adult Services and the Deputy Chief Executive on 27 July 2016.

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.