

**Report of Head of Asset Management**

**Report to Chief Officer Asset Management and Regeneration**

**Date: February 2021**

**Subject: Royds School, Pennington Lane, Oulton LEEDS LS26 8EX**

Are specific electoral wards affected? If yes, name(s) of ward(s): ROTHWELL	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Has consultation been carried out?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Will the decision be open for call-in?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**Summary**

**1. Main issues**

- The purpose of this report is to note the facilitation of the transfer of the Royds school site from The Royds Learning Trust as beneficial owner by virtue of its trust status and Leeds City Council as registered proprietor to the Falcon Education Academies Trust in pursuance of the Schools Standards and Framework Act 1998 the School Organisation (Prescribed Alterations to Maintained Schools)(England) Regulations 2007 and the Education Inspections act 2006 and the Academies Act 2010 (“the Acts and Regulations”).
- The subject site is noted within this report and comprises an operational school site.
- The Acts and Regulations set out the basis upon which assets are to be transferred from a local authority to a school which changes category or acquires a foundation. The Acts and Regulations provide flexibility for schools to work together under a shared Trust in partnership with external organisations (such as Universities, Business Foundations and Community Groups).
- Under the Acts and the Regulations all assets (being land and buildings held or used for the purposes of the school by a local authority) will automatically transfer for nil consideration to the trustees of schools converting to trust status (“trust schools”) on the date the trust is implemented (“the Implementation Date”). The requirements of the Acts and Regulations override a local authority’s duty under section 123 of the Local Government Act 1972 to secure best consideration for the disposal of and interest in the land. A school decides to become a trust school and

applies to the Department of Education. Once the conversion is authorised by the Department for Education a local authority must comply with the request to convert.

- Under the Acts and Regulations, the trustees do not have to pay for the land and buildings and the Local Authority cannot demand any consideration for the land and buildings.

## **2. Best Council Plan Implications** (click [here](#) for the latest version of the Best Council Plan)

- 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 2020-25 has, as some of its key objectives as a child-friendly city is to focus on “improving educational attainment and closing achievement gaps” and “supporting families to give children the best start in life” with a particular focus on 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.

## **3. Resource Implications**

- 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 the requirements of the Acts and the Regulations which dictate that the transfer is for nil consideration.

## **Recommendations**

It is recommended that the Director of City Development notes the transfer of Royds School to Falcon Education Academies Trust. This is to be at nil consideration in line with the Acts and Regulations

### **1. Purpose of this report**

- 1.1 The purpose of this report is to note the joint transfer of Royds School to the Falcon Education Academies from the Royds Learning Trust as beneficial owner and the Council as registered proprietor under the Acts and Regulations.

### **2. Background information**

- 2.1 Provisions contained within the Acts and the Regulations have added to the opportunities for diversity in school structures and governance, particularly in relation to the establishment of foundation schools with a charitable foundation, commonly referred to as trust schools. In respect of trust schools there is a statutory transfer and vesting of the land in a trust on the date that the trust is implemented. The Council is responsible for transferring the title of the land after the date of implementation. The extent to be transferred can be agreed between the parties.
- 2.2 The governing bodies of schools can decide to convert to trust status. This results in land and buildings used for school purposes automatically transferring and vesting for nil consideration in a trust once it is established. Royds School elected to convert to trust status in November 2013. The Council and the Trust have agreed the extent of the land that transferred and are ready to formalise the land transfer by

completing the Transfer document. City Development, Children's Services and Legal Services have ensured that the land to be transferred is appropriate and does not fall outside the extent of land that is legally permitted to be transferred under the Acts and the Regulations.

- 2.3 The legal transfer of Royds School to The Royds Learning Trust was not undertaken by the Council at that time and Royds School is now to convert to an academy on the 1 April 2021 and in order for the school site to be transferred to the Falcon Education Academies Trust the Council as registered proprietor will need to join in the transfer with The Royds Learning Trust as beneficial owner jointly transferring their interests in the land to the Falcon Education Academies Trust.

### **3. Main issues**

- 3.1 The Transfer is negotiated between the parties and the main provisions are as follows:

1. Transferee: The party to the transfer will be the Falcon Education Academies Trust.
2. Freehold transfer: All the land within the area edged black on the attached plan.
3. Consideration: The consideration payable for the transfer will be nil.
4. Use: The Transferee will covenant not to use the Property otherwise than:
  - (a) for the purposes of the provision of educational services; and
  - (b) for community, fundraising and recreational purposes which are ancillary to the use permitted under Clause (a) above.
5. Restriction on title A restriction will be placed on the title under the provisions of the School Standards and Framework Act 1998 requiring the Transferee to notify the Council of any proposed disposals. The Council has an opportunity to make comment on the proposed disposals (including requesting a share of any proceeds) to disposals.
6. Legal Costs: Under the Acts and the Regulations each party is responsible for its own legal costs.

### **4. Corporate considerations**

#### **4.1 Consultation and engagement**

- 4.1.1 Children's Services advises that pupils, their parents/guardians, teachers and staff have all made aware of the School's proposal to convert to trust status.

- 4.1.2 All Ward Members have been contacted by City Development by e-mailed letter on 17 February 2021 and both have acknowledged the proposals. Ward members are concerned about the condition of the school and have been advised that Falcon Education Academies Trust have made an application to the DfE for refurbishment funding.
- 4.1.3 It is understood from Children's Services that the Director of Children's Services and the Executive Member for Children's Services are aware of the proposal.

## **4.2 Equality and diversity / cohesion and integration**

- 4.2.1 The proposals have no specific implications for equality, diversity, cohesion and integration.

## **4.3 Council policies and the Best Council Plan**

- 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 2020-25 has, as some of its key objectives as a child-friendly city is to focus on "improving educational attainment and closing achievement gaps" and "supporting families to give children the best start in life" with a particular focus on 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.

### Climate Emergency

- 4.3.2 The proposals have no specific climate emergency implications.

## **4.4 Resources, procurement 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 the requirements of the Acts and the Regulations which dictate that the transfer is for nil consideration.

## **4.5 Legal implications, access to information, and call-in**

- 4.5.1 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.
- 4.5.2 The Chief Officer Asset Management and Regeneration, Head of Asset Management and Deputy 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.
- 4.5.3 The proposal constitutes an Administrative Decision and is therefore not subject to call in.
- 4.5.4 The Chief Officer Asset Management and Regeneration, 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).

#### **4.6 Risk management**

4.6.1 There is deemed to be no risk in the transfer of the site as requested.

#### **5. Conclusions**

5.1 The proposal should be supported in line with the DfE's making of an order enabling the school to convert to trust status under the Schools Standards and Framework Act 1998 and the School Organisation (Prescribed Alterations to Maintained Schools)(England) Regulations 2007 and subsequently the DfE making an Academy Order enabling the school to convert to an Academy under section 4 of the Academies Act 2010.

5.2 An effect of an Academy order is that the local authority must cease to maintain the school on the date ("the conversion date") on which the school, or a school that replaces it, opens as an Academy. The conversion date for Royds school is scheduled for 1st April 2021.

#### **6. Recommendations**

6.1 It is recommended that the Director of City Development notes the proposed facilitation of the disposal of land and buildings, known as Royds School from the Council jointly with The Royds Learning Trust to Falcon Education Academies Trust. This is to be at nil consideration in line with the statutory obligations placed upon the Council.

#### **7. Background documents<sup>1</sup>**

7.1 None.

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<sup>1</sup> 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.