

DERBYSHIRE COUNTY COUNCIL
CABINET MEMBER MEETING FOR
COUNCIL SERVICES

14 March 2019

Report of the Strategic Director Commissioning, Communities and Policy

Acquisition of a School Site at Chellaston Fields under a Section 106 Agreement and the Grant of a Lease to an Academy Trust

1. Purpose of the Report

Approval is sought to acquire a new school constructed by a housing developer under a Section 106 agreement and to subsequently grant a 125 year lease of the school to an Academy Trust. The extent of the site to be acquired and subsequently leased is identified on the attached plan.

2. Information and Analysis

The South Derbyshire District Council Local Plan has provided for the construction of 663 houses on sites at Swarkestone Road, Holmeleigh Way and Woodlands Farm in Chellaston, which is close to the city of Derby.

This housing growth will have a significant impact on infrastructure, including education. An assessment of Pupil projections indicates that the housing will generate 133 additional primary pupils. The existing primary schools in Chellaston are currently unable to accommodate this number of additional children requiring school places and those schools are unable to expand to meet this demand. Consequently, the developer has been required to provide a new 1-form entry primary school large enough to absorb the increased requirement for primary school places in the foreseeable future.

Following consultation between the planning authority, the developer, the Education Authority and the local community, a suitable location and design has been agreed. The project is now underway and the Education Act 2011 requires local authorities to seek proposals to establish an academy or a free school where it thinks there is a need for a new school in its area. The appropriate advertising and consultation has now taken place and the Spencer Academy Trust will operate the school. Once the developer has transferred the freehold of the new school to the Council for the sum of £1.00,

the Council will be required to grant a 125 year lease for nil consideration to the Spencer Academy Trust by the Department for Education under an Academy Order.

Chellaston Fields Spencer Academy is anticipated to open in September 2019 and, on completion, Chellaston Fields will have places for 210 boys and girls aged five to eleven years old.

3. Financial Considerations

There is a requirement for the Council to make a contribution of £600,000 towards the school following notification with at least 2 months' notice of the date on which the construction is due to commence. This is due to be funded from S106 contributions in respect of the other developments at Holmeleigh Way and Woodlands Farm and is to be held in escrow by Howes Percival LLP as stakeholder. This money will only be released on written confirmation from the Council that a drawdown is due.

The cost of acquiring the land and constructing the school is to be borne by the developer. The school will transfer to the Council for the sum of £1.00 and the subsequent 125 year lease to the Academy Trust will be at nil consideration.

The costs of operating the school post conversion will fall on the Academy Trust.

4. Legal Considerations

Upon instruction from the Director of Property, the Director of Legal Services shall arrange to complete the acquisition of the school site and subsequently lease it to the Academy Trust.

Section 120 of the Local Government Act 1972 permits a Local Authority to acquire land for the purposes of any of its functions or for the benefit, improvement or development of its area. The proposed acquisition satisfies this requirement.

Section 123 of the Local Government Act 1972 permits a Local Authority to dispose of land at less than the best consideration that can reasonably be obtained, provided that the Secretary of State's consent is first obtained. The Secretary of State for Education will be issuing an Academy Order in relation to the proposed disposal, which satisfies this requirement.

5. Social Value Considerations

The Council is committed to meeting the current and future educational needs of communities in the best possible way in its role as a Local Education

Authority. The provision of a new school in Chellaston will ensure that there are sufficient school places available for children coming into the locality once the new housing is inhabited.

6. Other Considerations

In preparing this report the relevance of the following factors has been considered; prevention of crime and disorder, equality and diversity, human resources, environmental, health and transport considerations.

7. Background Papers

None

8. Key Decision **NO**

9. Call-in

Is it required that call-in be waived for any decision on this report? **NO**

10. Officer Recommendation

That approval be given to

- a. to acquire a new school site at Chellaston under the terms of a Section 106 agreement, and
- b. the grant of a 125 year lease of the school site to the Spencer Academy Trust.

EMMA ALEXANDER
Strategic Director Commissioning, Communities and Policy

Proposed School site - Chellaston

