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	Typed	Originator	Head of Service	Chief Officer	Cabinet Member	Legal	Finance	Media
Initials		■				■	■	
Date		10.01.18				5.01.18	10.01.18	



Agenda Item No.

Cabinet – 8 February 2018

Addendum to Cabinet report - Plans for the former Coseley School

Purpose

1. To update Cabinet on the further negotiations with the ESFA with regards to the heads of terms for the Coseley Technology Primary Free School.

Recommendations

2. That Cabinet note the content of this report.

Background

3. Cabinet approved a report in November 2017 in respect of the plans for the former Coseley School site.

During the continuing negotiations between the Council and the ESFA, an issue has come to light which was not identified in the original report and upon which Cabinet members would benefit from being briefed.

The majority of the terms of the 125 year lease for the Coseley Technology Primary Free School are comparable to the academy long leases which the Council often enters into for academies, however, with the addition of a series of break clauses available to the ESFA at 25, 50, 75, and 100 years.

In effect, this means that the ESFA could, with notice, end this lease arrangement at any of those points. The Council during negotiations have been assured that the likelihood of this happening is very minimal and would only likely be used if the school were to be closed.

In this instance, there would be a significant amount of prior notification and consultation. The risk to the Council is therefore considered to be negligible.

If the ESFA were to utilise the break clause, the implications for the Council would be as follows:

- The land and building would be transferred back to Council control.
- The Council would be in a position to utilise this land and building or dispose of as it sees fit.
- The Council would not be liable for any financial charges associated with the construction of the building.
- The Council would be liable for utility and security costs as it is at the present time. The Council would be therefore in no worse position than it finds itself in presently with regards to this site.
- The Council would have been involved in many discussions with the ESFA with regards to this prior to any break clause being implemented and would therefore have time to consider its options.

Finance

4. In the event that the lease arrangement ends then the peppercorn rent charged under the lease arrangement would cease.

The Council would not be liable for any financial charges associated with the construction of the building.

The Council would be liable for utility and security costs as it is at the present time. The Council would be therefore in no worse position than it finds itself in presently with regards to this site.

Law

5. Section 111 of the Local Government Act 1972 empowers the Council to take the action that it deems necessary to facilitate, considers conducive to or views as incidental to, the discharge of any of its functions.

Local Authorities are under a statutory duty to ensure that there are sufficient school places in their area. The Place Planning Team fulfils this statutory duty as set out in the Education Act 1996, added to by Section 2 of the Education and Inspections Act 2006 to secure sufficient primary and secondary schools (including having regard for the need to secure Special Education Needs Provision for pupils with SEN).

The Council is entitled to develop and implement a plan that enables it to secure those school places.

Equality Impact

6. This report does not conflict with the Council's Policy on equality.

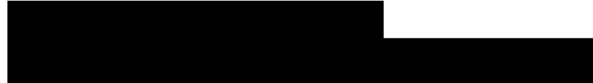
Human Resources/Transformation

7. There are no issues as a result of this report.

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Background Documents

None