

LONDON BOROUGH OF BRENT

Meeting of the Executive
23 May 2005

Report from Director of Finance

For action

Wards affected:
Wembley Central

Report Title: Copland Community School and Technology Centre (Copland School) – Proposed Property Transactions

Forward Plan ref: COR-04/05-74

1. Summary

- 1.1. At its meeting of the Council's Planning Committee on 3rd March 2005, it was resolved that planning consent be granted for:
- the demolition of the existing school;
 - the construction of a new 3 storey school;
 - the erection of mixed-use commercial and residential development; and
 - associated access and other works.
- 1.2. This report proposes three property transactions in respect of interests in land owned by the Council to facilitate the proposed redevelopment.

2. Recommendations

- 2.1. That the Council enters into such land transactions as determined by the Borough Solicitor as reasonably necessary to amend the existing 99 year lease to Copland School of land indicated "A" and "B" on the attached plan to extend instead to the equivalent areas indicated "B" and "C";

- 2.2. That the Council's freehold reversion in the Dennis Jackson Centre, indicated on the attached plan and extending to 0.24 hectares (0.6 acres) or thereabouts be transferred to Copland School;
- 2.3. That the Council's freehold interest in the land around the Wembley Youth and Community Centre indicated on the attached plan and extending to 0.127 hectares or thereabouts be transferred to Copland School;
- 2.4. That, in respect of the rights the Council holds over Copland School's freehold land for St Joseph's Schools and Elsely School to use that land for sporting and other outdoor activities, the Council agrees that such rights shall be released in respect of that part of that land on which the new school buildings are to be constructed.
- 2.5. That consideration payable by Copland School shall be as set out in the Appendix to this report and that the associated capital receipt shall be applied to the renovation of the Wembley Youth and Community Centre.

3. Detail

- 3.1. The freehold of the school premises and the playing field (ie the land marked "C" plus other land not hatched or stippled within the black line) was transferred to the Governing body of the Copland Community School and Technology Centre under section 74 and Schedule 10 of the Education Reform Act 1988. The effect of the transfer was that School Governors became the owners of the school premises and the playing fields. The playing field was transferred to the Governors of Copland School subject to the right of the three adjoining schools, St Joseph's RC Schools (Junior and Infants) and Elsley Primary School, to use the playing field for sporting and other outdoor activities as existed immediately prior to 1st April 1982.
- 3.2. Land indicated "A", "B" and "D" on the attached plan is subject to a lease dated 10th July 1997 between the Council and the Copland School (the 1997 lease) for Copland School to use that land for sports purposes, subject to the rights of the three adjoining schools, namely St Joseph's RC Schools (Junior & Infants) and Elsley Primary Schools, also to use that land for similar purposes.
- 3.3. The Governors of Copland School have, for a considerable time, been endeavouring to secure funding for the badly needed improvement, adaptation and expansion or replacement of the existing school buildings, built originally in 1952 and which are in poor condition and provide increasingly sub-standard accommodation in relation to modern educational needs. Having exhausted the usual funding possibilities, the Governors explored a range of development options involving private development to fund the much needed new school buildings and sport facilities.

- 3.4. Copland School's rights and obligations in respect of the school premises and playing fields are contained in the School Standards and Framework Act 1998. This provides that a governing body of a foundation school must obtain the consent of the Secretary of State for Education and Skills prior to any disposal.
- 3.5. The Secretary of State for Education and Skills determined, in September 2002, to give consent to the Copland School selling part of the school site for private development in exchange for the provision of new school buildings and sports facilities by the developer.
- 3.6. Copland School, working in conjunction with Chancerygate Group Ltd, made an application for planning consent in respect of a proposal to provide a new 21st Century school comprising:
 1. the construction of new school premises, including sports hall, swimming pool, gymnasium and performing arts accommodation; and
 2. upgraded school playing fields, including installation of drainage, all weather pitches, hard sports area, three grass team games pitches, athletics area, cricket pitch and natural habitat area.
- 3.7. The planning application includes proposed private development (residential, retail and fitness centre) on the site of the existing school buildings, fronting on to Wembley High Road and which the School proposes to sell to the developer in exchange for the developer providing new school facilities.
- 3.8. The application was considered by the London Borough of Brent's Planning Committee on 3rd March. The Committee resolved that planning consent be granted subject to conditions and completion of a S106 Agreement.
- 3.9. Copland School has requested the Council to enter into a number of property transactions to facilitate the approved development:

- I. Area of land adjacent St Joseph's Schools

Area "A" on the attached plan is part of the land upon which the new school is to be built. It is proposed that:

- a) the Council shall transfer its freehold interest in the land indicated "A" on the attached plan and that, in exchange, Copland School shall transfer the equivalent area of land indicated "C"; and
- b) the 1997 lease shall be varied to extend to the land indicated "B" and "C" on the attached plan, instead of "A" and "B".

The land indicated “D” on the attached plan, also included in the 1997 lease, will be unchanged.

The adjoining schools have expressed some concerns about the impact of the development of Copland School on their use of the playing fields and internal sports facilities. The variation of the lease to include area “B/C” will ensure that the schools rights are protected. It will be for the schools to enter into operational arrangements between themselves as to the use of the playing fields for day to day sports purposes.

Dennis Jackson Centre

In 1974, the Council granted a ground lease to Trustees of the Dennis Jackson Centre. The current rent is £200, and the next review due in 2019, with the Trustees being responsible for maintaining their building in tenable repair. It is proposed that the Council’s freehold reversion be transferred to Copland School.

It is intended that Copland School will concurrently enter into an agreement with the Dennis Jackson Trustees for the surrender of all the land around the Centre extending to 0.24 hectares or thereabouts and currently included in the Trustees ground lease. It is envisaged that the Trustees will have the opportunity to use the new facility under the S106 Agreement to be entered into between the Council and Copland School.

II. Wembley Youth Centre

It is proposed that the Council’s freehold interest in the land around the Wembley Youth Centre (but not including the Wembley Youth Centre buildings themselves) and extending to 0.127 ha or thereabouts shall be transferred to Copland School, subject to the Council retaining rights of access over the land to be transferred and some provision for car parking for the centre’s users somewhere within the Copland School site. The Council will retain the freehold of the buildings themselves.

- 3.10. Part of the new development will be on playing fields transferred by the Council to Copland. Such part of the playing fields are subject to a right in favour of the Council for St Joseph’s Schools and Elsley Schools to use the same for sporting and other outdoor activities on such terms as existed immediately prior to 1st April 1992.
- 3.11. It will therefore be necessary for the Council to enter into an agreement with Copland releasing such parts of the playing fields currently owned freehold from this obligation to enable the buildings to be constructed.

- 3.12. The transactions at II. and III. in paragraph 3.9 above are necessary to enable additional land to be incorporated into the School playing field, in accordance with the planning consent.
- 3.13. It is proposed that consideration shall be paid by Copland School as set out in the Appendix to this report. The District Valuer has been appointed to advise the Council in respect of these transactions and the terms are in accordance with his advice as being the best consideration reasonably obtainable as required under the Local Government Act 1972.
- 3.14. It is intended that the capital receipt payable initially shall be applied to the renovation of the Wembley Youth and Community Centre. The building was originally a school pavilion and is largely of wood construction. The interior of the building is in reasonable condition but the exterior needs significant attention.
- 3.15. The redevelopment is likely to be undertaken over a period of some 4 years in two phases. The first phase will be the construction of the new school facilities on part of the playing fields. Pupils will remain in the current site during construction and will move to the new school facilities on completion. The old school will then be demolished to allow for construction of the private development, as the second phase. The proposed redevelopment will therefore not interfere with pupils' education.

4. Financial Implications

- 4.1. The proposed consideration to be payable by Copland School in respect of this transaction is laid down in the appendix to this report, and is considered by the District Valuer to be the best price that may reasonably be expected.
- 4.2. The proposed transactions as set out in the recommendations to this report are not already included in the capital disposals programme for 2005/06. As such the proceeds accruing will represent an additional net benefit to the Council for allocation by the Executive Committee.
- 4.3. It is requested at recommendation 2.5 of this report that the capital receipt payable be applied to the renovation of the Wembley Youth and Community Centre. However, it is not the Council's policy to ring fence capital receipts for specific schemes and Executive Committee may wish to consider an alternative use for this receipt in line with other corporate priorities.
- 4.4. All costs associated with these transactions will be met by Copland School.

5. Legal Implications

- 5.1. Section 123 of the Local Government Act 1972 provides that the Council can sell any land it owns if it obtains a consideration which is the best that can be reasonably obtained.
- 5.2. If the proposed terms represent the best consideration reasonably obtainable, the Council has the power to proceed with the transaction.
- 5.3. The Borough Solicitor will agree the exact manner of effecting the land transactions with the Solicitors acting for Copland School and the Developer in due course.

6. Diversity Implications

- 6.1. The proposals will be subject to an Equality Impact Assessment which will be undertaken before any transactions take place.

7. Staffing/Accommodation Implications (if appropriate)

- 7.1 None specific.

Background Information

Property files held by Corporate Property Services

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Appendix

Proposed Consideration

With reference to paragraph 3.9 of the report, it is proposed that as consideration Copland School :

1. shall pay the sum of £250,000 (two hundred and fifty thousand pounds) on completion of the transactions set out at paragraph 3.9; and
2. shall pay the Council a share of the profit ["overage"] (if any) on completion of the sale of the private development on the following basis:
 - a) the overage shall be paid out of the profit made by the developer from the private development after deduction of the usual build cost and the cost of building the new school facilities;
 - b) the Developer [Chancerygate Ltd] shall be entitled to 50% of the profits;
 - c) the overage due to the Council shall be calculated on the basis of the ratio which the three areas of land at I, II and III in paragraph 3.9 bear to the total new site area of the Copland School as illustrated edged black on the attached plan (extending to approximately 9.2 ha) [estimated to be 14.8%].