

Report of the Cabinet Member for Educational Attainment and School Improvement

24 May 2018

Title: Barking Abbey School Longbridge Road Site Sub-Station Lease	
Report of the Cabinet Member for Educational Attainment and School Improvement	
Open Report	For Decision
Wards Affected: Longbridge	Key Decision: No
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Accountable Director: Jane Hargreaves, Commissioning Director Education	
Accountable Leadership Strategic Director: Ann Bristow, Deputy Chief Executive and Strategic Director for Service Development and Integration	
<p>Summary</p> <p>By Minute 120 (19 April 2016), the Cabinet approved proposals to expand Barking Abbey School by three forms of entry at an estimated cost of £12m. Subsequent to this, a further approval at the Cabinet meeting on 20 June 2017 (Minute 17) increased the budget for the Barking Abbey School expansion to £21m. Works are currently in progress and the new teaching accommodation at the Longbridge Road site is due to open to pupils in September 2018, with physical education facilities to follow.</p> <p>It was unforeseen in June 2017 that a new electricity sub-station would be required. This new sub-station will serve the existing buildings, the new teaching block and PE facilities currently under construction by Neilcott Construction Group. UK Power Networks require a 99-year lease to be in place before the new mains connection from Longbridge Road into the new sub-station can be made.</p> <p>Under the term so the proposed lease, there is a one-off nominal £1 payment from UK Power Networks to the Council to complete the lease and an annual peppercorn rent.</p>	
<p>Recommendation(s)</p> <p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"> (i) Agree that the Council enters into a 99-year lease with UK Power Networks in respect of the new electricity sub-station at Barking Abbey Longbridge Road site, as shown on the site plan at Appendix 1 to the report, on the proposed terms; and (ii) Authorise the Director of Law and Governance to enter into the lease agreement with UK Power Networks and any other agreements deemed necessary to facilitate the delivery of the Barking Abbey School expansion project. 	

Reason(s)

To assist the Council to achieve its priorities of 'Growing the Borough' and 'Enabling social responsibility' through the delivery of the school expansion programme.

1. Introduction and Background

- 1.1 The Borough is in the process of significant expansion in terms of population growth and this has resulted in the need for additional secondary school places for September 2018. This project allows the school, which is located on three sites, to expand by three forms of entry. The lower site at Longbridge Road currently accommodates 540 pupils and will increase to a capacity of 920 pupils.
- 1.2 In order for this site to expand, new facilities are under construction including a new dining hall, school kitchen, specialist subject and general teaching classrooms, new staff accommodation and a PE facility. It is for this site that the new electrical substation and 99-year lease is required, so that the increased accommodation will have adequate electrical supply.
- 1.3 The principles of this project were agreed at Cabinet on 19 April 2016 (Minute 120) and the decision to increase the total budget for the expanded works to £21m was agreed by Cabinet on 20 June 2017 (Minute 17).
- 1.4 This project is funded by the DfE Basic Need Grant provided to the Council to support extra pupil places.
- 1.5 Be First are Project Managing this scheme on behalf of the School Investment, Organisation and Admissions service.
- 1.6 The two-stage tender, design and build procurement route was agreed by the Procurement Board on 8 July 2016 and clarified on 17 March 2017. This was in accordance with the decision of Cabinet on 19 April 2016, minute no.120.
- 1.7 It was unforeseen when these approvals were being obtained that a new sub-station would be required.

2. Proposal and Issues

- 2.1 On behalf of the School Investment, Organisation and Admissions service, the Council's Legal Service has liaised with solicitors acting for UK Power Network. The outcome of those discussions is that a lease of 99 years, with a one-off charge of £1 to complete the lease and an annual peppercorn rent (should the Council decide to collect), is required by UK Power Network before the power connection can be made.
- 2.2 A 25.7m² area of school land located immediately off Longbridge Road houses the new substation and provides direct access for UK Power Networks without entering the school – a site plan is attached at Appendix 1. The power supply from the new substation will provide the electricity needs for the school site.

- 2.3 The Council's Constitution states that a Cabinet decision is required before any leases over 20 years can be completed. The sub-station is already in place awaiting connection by UK Power Networks, but power cannot be connected until the lease is in place. The programmed power on date has already passed. Therefore, the lease agreement needs to be concluded urgently, so that the new building can be fully commissioned and ready to open to pupils for September 2018.
- 2.4 It is not foreseen that any similar utility issues will arise during this development, but in order to ensure there are no further delays, this report also requests approval to any other agreements deemed necessary to facilitate the delivery of the Barking Abbey School expansion project.

3. Options Appraisal

- 3.1 A 20-year lease was originally proposed by the Council. However, UK Power Networks require a 99-year lease, which it regards as standard for this type of undertaking. There are no other alternatives and School Investment, Organisation and Admissions have no objection to the 99-year lease.

4. Consultation

- 4.1 The proposal is fully supported by representatives of Barking Abbey School and its contractor, Neilcott Construction Group. The Council's Legal Service has been liaising with UK Power Networks' solicitors and officers from My Place and Be First.
- 4.2 Due to the time constraints it was not possible to present the report to a meeting of the Council's Assets and Capital Board and, therefore, endorsement was sought and received from the Chief Operating Officer who chairs the Board.
- 4.3 LBBD Legal has sought and obtained the necessary approval from the Education and Skills Funding Agency regarding the area of school land that the substation sits on.

5. Financial Implications

Implications completed by: Martin Hone, Interim Chief Accountant

- 5.1 There are minimal financial implications connected to the lease agreement. The terms of the draft lease ask that "The Tenant pays the Landlord ONE POUND (£1) on the date of this lease" and "...for the 99-year Term of this lease that an annual rent of a peppercorn be paid (if demanded)".
- 5.2 There are no other financial issues.

6. Legal Implications

Implications completed by: Shahina Shaikh – Property Solicitor, Law & Governance

- 6.1 In accordance with the Constitution, Part 4, Chapter 4 (Land Acquisition and Disposal Rules), Section 2.2 (Control by the Cabinet), the disposal of all property either long-lease (over 20 years) or by the sale of the freehold must be approved by the Cabinet.

- 6.2 As the proposed demise is contained within school grounds a notification of class consent under The School Playing Fields General Disposal and Change of Use Consent (No 5) 2014 is required. This notification has been sent to the Education & Skills Funding Agency and acknowledged.
- 6.3 There is urgency to complete this 99-year lease for a substation. Therefore, the urgent action procedure under paragraph 4, Chapter 16, Part 2 of the Constitution will need to be pursued. It states that in exceptional circumstances and where delay will be prejudicial to the interests of the Council, the Chief Executive is authorised to take urgent action which is not otherwise delegated to him, ensuring:
- (i) That the actions are set out in a detailed report which has been cleared by the Chief Financial Officers and the Monitoring Officer;
 - (ii) Compliance with the Constitution and in particular relevant rules where appropriate; and
 - (iii) That the action taken and the full details are subsequently reported to the next available meeting of the relevant committee.
- 6.4 The relevant Chief Officer will also need to liaise with Democratic Services, prior to any action been taken by the Chief Executive to ensure that all aspects of the urgent action procedures are met.

7. Other Implications

- 7.1 **Corporate Policy and Customer Impact** – there are no issues, other than the new school facilities once opened, will provide greater opportunity for parental preference and the school and pupils will have improved and expanded facilities.
- 7.2 **Safeguarding Children** – the pupils will have improved and expanded facilities as a result of this expansion project. UK Power Networks operatives will have direct access to the substation from Longbridge Road, without entering the school grounds.
- 7.3 **Health Issues** – the expansion project will have a positive effect on pupils' health, due to the new dining and PE facilities
- 7.4 **Property / Asset Issues** – the building project will increase the Council's assets. My Place and LBBB Legal are protecting the School and LBBB's interests re the substation lease

Public Background Papers Used in the Preparation of the Report: None

List of appendices:

Appendix 1: Site Plan