

MUNICIPAL YEAR 2016/2017 REPORT NO.259

MEETING TITLE AND DATE:

CABINET – 26th April 2017

REPORT OF:

Executive Director of Finance,
Resources and Customer
Services

Agenda – Part 1

Item - 9

**Disposal of Land at Chase Farm Hospital,
The Ridgeway, Enfield**

WARD: Chase

KD - 4473

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1. EXECUTIVE SUMMARY

- 1.1 This report seeks approval for the disposal of land known as 'Parcel's Ca and Cb' at Chase Farm Hospital to the Secretary of State for Communities and Local Government (DCLG) c/o the Education Funding Agency to enable a primary school development to come forward.
- 1.2 Cabinet will note that having identified a future pupil place need in this area authority was sought and granted (Key Decision 3599) on the 22nd October 2014 for the Council to enter into negotiations to acquire the freehold interest of up to five acres of land of the 12 acre site at the Chase Farm Hospital from the Royal Free Foundation Trust.
- 1.3 Subsequently a parcel of land (3.87 acres) was purchased from the Royal Free London NHS Foundation Trust, as approved by Cabinet under KD4065 with the acquisition being completed on the 31st March 2016.
- 1.4 Following a Ministerial announcement that a Free School approval had been granted to the Limes Trust in June 2016, the Education Funding Agency (EFA) approached the Council in the autumn of 2016 wishing to enter into negotiations with Authority to acquire Parcel Ca and Cb at Chase Farm Hospital from the Council.
- 1.5 Over the past several months ongoing negotiations have culminated in an agreement for the disposal of the freehold interest in the land and this report seeks the approval of the terms agreed.
- 1.6 It should be noted that all costs borne by the Council including all acquisition related costs will be met by the purchaser.

2. RECOMMENDATION

It is recommended that Cabinet:

- 2.1 Approves the disposal of the Council's freehold interest of land parcels Ca and Cb at Chase Farm Hospital to the Education Funding Agency (Secretary of State for Communities and Local Government) (DCLG) on the terms as detailed within Part 2 of this report together with full reimbursement of the Council's acquisition and sale costs.
- 2.2 Delegates Authority to the Assistant Director – Strategic Property Services to negotiate any non-material changes to the transaction in accordance with the Property Procedure Rules.
- 2.3 Delegates Authority to the Assistant Director – Legal and Governance to approve the legal form of contracts for the sale.
- 2.4 Notes the agreement to the release of Targeted Basic Need funding to the Education Funding Agency.
- 2.5 Note that the proposal's will contribute to the delivery of a much needed Primary school and delivery of a new hospital.

3. BACKGROUND

- 3.1 Having exhausted all options for the expansion of two schools in the Enfield Town area, the Council became aware of the RFL's intention to submit an outline planning application for the redevelopment of the Chase Farm Site to deliver a much needed improvement to the hospital.
- 3.2 The Council commenced negotiations with the RF Trust to deliver a 3FE Primary school as part of a joint outline planning application.
- 3.3 The resulting application delivered a new hospital, a substantial residential development and the much needed Primary school which would not only meet the projected need but also future pupil product from the residential redevelopment at Chase Farm.
- 3.4 The Council completed the acquisition of Parcel Ca and Cb at Chase Farm Hospital from The Royal Free London NHS Foundation Trust (RFLNFT) on the 31st March 2016.
- 3.5 The Council's decision to acquire this strategic piece of land to add to the Education portfolio was based on 2 overriding factors;

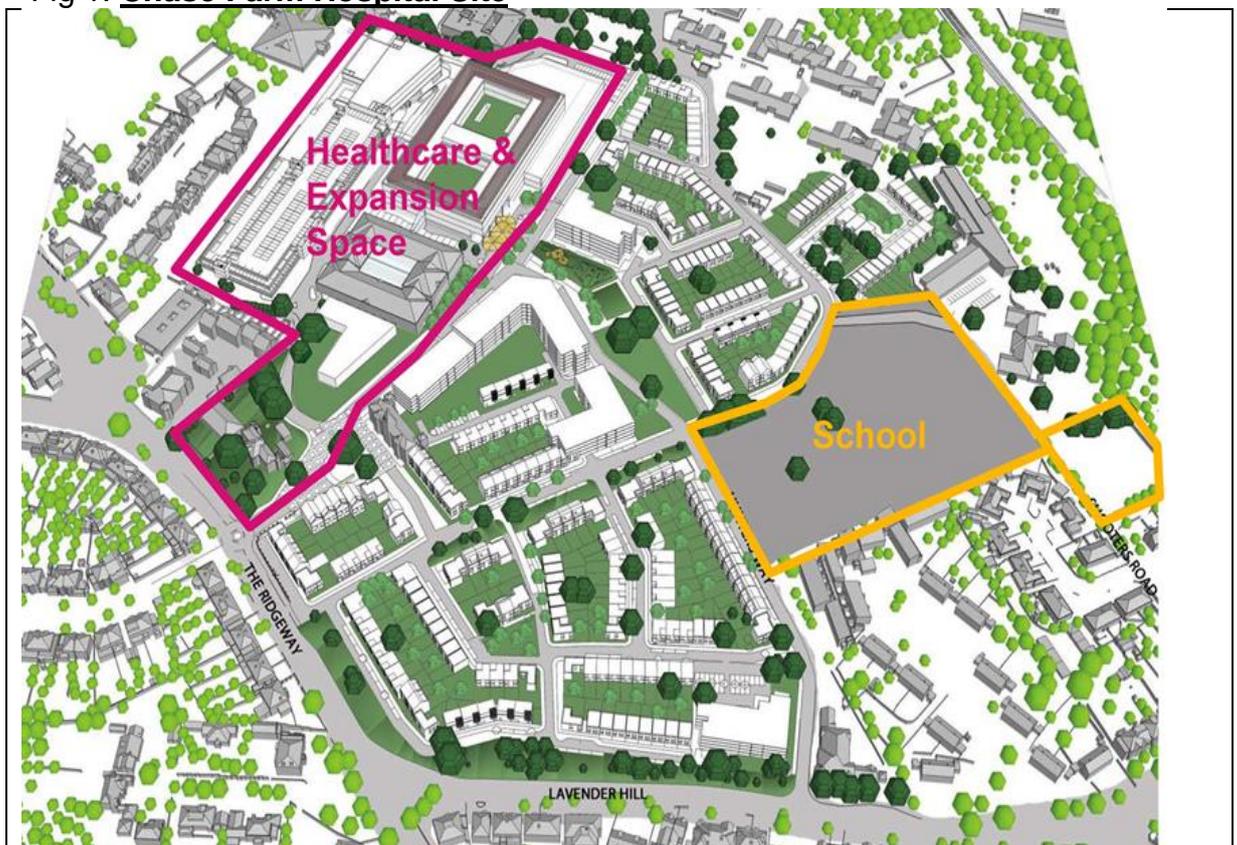
- The North Central Enfield Pupil Place Planning Area required an additional 1FE primary school by 2015 with a further 2FE by 2018-2020. In total a 3FE primary school was required in this area.
- The Council undertook extensive feasibility for the expansion of 2 schools to accommodate the increase in demand; however there were no viable options. A further wide ranging site search was undertaken and the land at Chase Farm was identified as a site for a school to satisfy the Council's Statutory Duty to provide pupil places.

3.6 A Delegated Authority decision, KD3599, gave authority to commence negotiations with the Trust to enable the Council to acquire the land; this decision was based on a previous Cabinet Paper that was presented on the 23rd of July 2014 which considered Report No.15 – The Strategy and Approach to Delivering Pupil Places.

3.7 The Council's education strategy identifies a significant increasing need for the provision of school places in this area and the proposal to acquire the land at Chase Farm Hospital was made with the intention of enhancing the education portfolio and providing the flexibility to meet future increases in demand.

3.8 The School Site is located within the current Chase Farm Hospital some 1.8 miles north-east of Enfield Town Centre. The 3.87 acre (1.57ha) site is below set in the context of the wider Chase Farm site (Figure.1)

Fig 1: **Chase Farm Hospital Site**



3.9 Late last year an approach by the Education Funding Agency to acquire the land was received by the Council. The EFA were seeking a site for a primary school/Free

School as a Free School application which was recently approved by Central Government for the Lime's Trust.

- 3.10 This approach was well received by the Council and subsequently after internal consultations and agreeing a basis of value with the EFA, negotiations on the terms commenced.
- 3.11 The consideration noted in the Part 2 report is the price paid for the site 12 months ago plus the Council's transactional costs and consultancy fees in relation to the acquisition of the site.
- 3.12 The price being paid by the EFA is representative of best value when considering that the end use will remain the same ie a primary school to educate the Borough's children will be constructed by the EFA instead of the Council. In this case the Council are fulfilling an "enabling" role by disposing of this land to the EFA at a price which puts the Council in no worse a financial position when compared to the original purchase price.
- 3.13 Shown below is the disposal site of Parcel Ca and Cb outlined in red. Plot Cb is the surgi-centre only and Plot Ca is the remainder of the site.

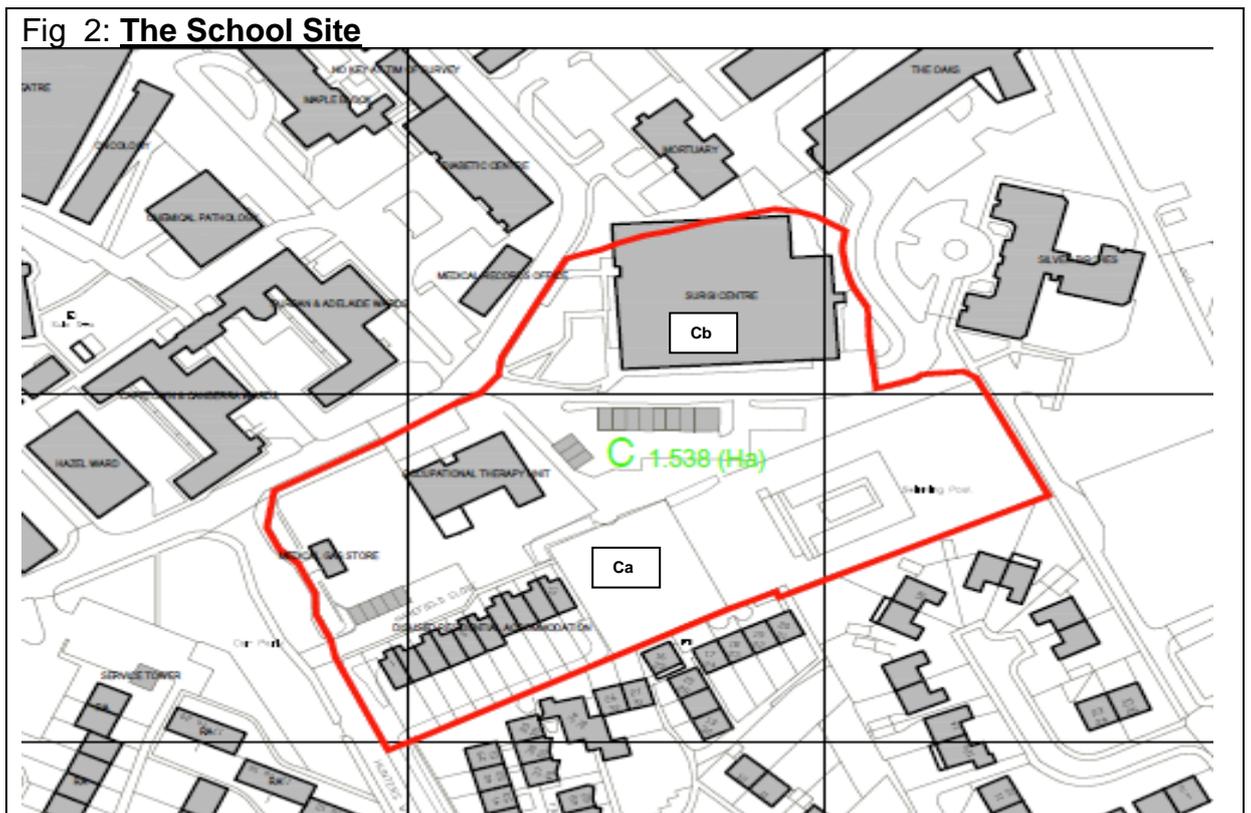


Figure 1

4. PROPOSAL

- 4.1 To dispose of the freehold interest in the School Site – Parcel's Ca and Cb at Chase Farm Hospital for the consideration detailed in Part 2 of this report to enable a primary school development to come forward.

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 Not applicable as the Council could not develop a new school as it would be contrary to the Academies Act 2010 where any new school developed should either be an Academy or a Free School.

6. REASONS FOR RECOMMENDATIONS

- 6.1 This is the only viable site now and in the future that could support a 3FE Primary School that will come forward in this Pupil Planning Area to satisfy the need.
- 6.2 The disposal of the land at Chase Farm will satisfy the requirements for space standards as set out within the guidance set by the Department for Education (BB103) and the terms of the transaction will satisfy the requirements of best value under s123 of the Local Government Act (1972).

7. KEY RISKS

Not Applicable

8. COMMENTS OF THE EXECUTIVE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS

8.1 Financial Implications

See Part 2.

8.2 Legal Implications

- 8.2.1 The Council has a general power under s.1 of the Localism Act 2011 to do anything which an individual may generally do. A specific power exists under s.123 of the Local Government Act 1972 for the Council to dispose of land, subject to this being for the best consideration reasonably obtainable. It is noted that the terms of the proposed transaction will be in accordance with those requirements.

- 8.2.2 The contract for sale should be in a form approved by the Assistant Director (Legal and Governance).

- 8.2.3 Other implications – as referred to within this report.

8.3 Property Implications

- 8.3.1 As embedded in this report.

9. PERFORMANCE MANAGEMENT IMPLICATIONS

The disposal of the site will assist in the delivery of the Council's education policy and improvement action being taken in this Pupil Planning Area.

10. EQUALITIES IMPACT ASSESSMENT

Not applicable

11. PUBLIC HEALTH IMPLICATIONS

In the longer term the School will deliver through efficiencies and secure by design a safe and secure environment to educate the young persons of Enfield.

12. IMPACT ON COUNCIL PRIORITIES

12.1 Fairness for All

The disposal of this land will enable a school to be built giving the local communities a fairer opportunity with regards to parental choice.

12.2 Growth and Sustainability

The disposal of the land will lead to increased flexibility and choice for parents living in this area and service demand for pupil places for years to come.

12.3 Strong Communities

Improving educational outcomes assists in the creation of a stronger community, including the new community being developed with the Chase Farm site.

13. HR IMPLICATIONS

13.1 Not applicable

BACKGROUND PAPERS

None.